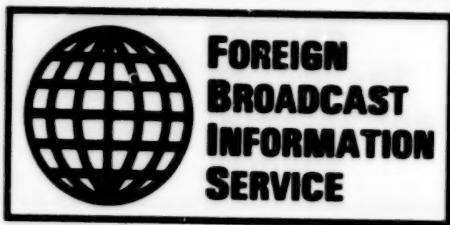


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# **Daily Report**

## **China**

FBIS-CHI-92-075  
Friday  
17 April 1992

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# Daily Report

## China

FBIS-CHI-92-075

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**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### Reaction to Libyan Sanctions, Situation Continues

#### Spokesman: No Personnel To Withdraw

HK1604120692 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1004 GMT 16 Apr 92

[Text] Beijing, 16 Apr (ZHONGGUO XINWEN SHE)—Chinese Foreign Ministry spokesman Wu Jianmin said here today that China has not considered withdrawing its diplomatic and labor personnel from Libya.

In response to a reporter's question at the news conference, Wu Jianmin explained China's attitude toward the sanctions against Libya.

Wu said that China has stated its position on UN Resolution 748. As the resolution has come into force, China will implement the resolution's relevant provisions.

Wu continued that China had hoped that the parties concerned would make concerted efforts to reasonably settle the dispute and avoid the sanctions imposed against Libya. It is regrettable that the parties concerned have not yet settled the dispute through consultations.

Wu reiterated that China still sincerely hopes that the international community and the parties concerned will continue to make efforts to appropriately resolve the problem.

As to the question whether or not China will expel Libyan diplomats, Wu said that Libya has very few diplomats in China.

#### Russia To Carry Out Sanctions

OW1604034692 Beijing XINHUA in English  
0302 GMT 16 Apr 92

[Text] Moscow, April 15 (XINHUA)—Russia is implementing the U.N. sanctions against Libya and said it could expel Libyan diplomats in Moscow, a Russian Foreign Ministry spokesman said today.

Moscow Radio reported earlier that the number of Libyan diplomats in Moscow would be reduced in line with the sanctions and said Russian military advisers and technicians in Libya were being recalled.

The radio said with Russia and Libya having had good relations and broad economic contacts, the support for the sanctions was not an easy decision.

#### Defense Minister Meets Seminar Participants

HK1504125092 Beijing XINHUA Hong Kong Service  
in Chinese 1207 GMT 5 Apr 92

[Text] Beijing, 5 Apr (XINHUA)—Chinese Defense Minister Qin Jiwei today met representatives to a quadripartite seminar sponsored by China, the United States, Japan, and Russia on the "security issue in the Asia-Pacific region."

Representatives attending the seminar were famous strategic researchers, including Frank Carlucci, former U.S. defense secretary; General Masao Ishii, former chairman of the Japanese Self-Defense Corps Joint Chiefs of Staff; and (Rogov) [luo ge fu 5012 2047 1133], deputy director of the Russian Academy of Sciences American and Canadian Research Institute.

Qin Jiwei said: At a time when the world situation is turbulent and complicated, it is significant for representatives from the four countries to exchange opinions on the Asia-Pacific region's security, to seek peaceful and stable factors, and to improve mutual understanding and friendship.

#### Bush Waives Trade Law Against 3 Republics

OW1604230992 Beijing XINHUA in English  
2127 GMT 16 Apr 92

[Text] Washington, April 16 (XINHUA)—U.S. President George Bush today signed an executive order waiving a trade discrimination law against Russia, Belarus and Kyrgyzstan.

The Jackson-Vanik Amendment, adopted in 1974, prevented the former Soviet Union from being treated with most-favored nation [MFN] status on the ground that it did not allow free emigration.

Bush waived the law for the entire Soviet Union last year, but the breakup of the country required that each of the former Soviet republics be judged on their own.

Two weeks ago, Bush certified that Russia, Belarus and Kyrgyzstan had adopted free emigration practices and therefore, were eligible for U.S. credit guarantees.

But the granting of MFN trade status to the three states needs to be approved by the Congress.

#### EC Accuses U.S. of 'Obstructing' Steel Trade

OW1504152292 Beijing XINHUA in English  
1419 GMT 15 Apr 92

[Text] Brussels, April 15 (XINHUA)—The European Community (EC) on Wednesday accused the United States of obstructing legitimate trade in steel after the United States suspended the negotiations on the multi-lateral steel agreement on March 31, 1992.

In a statement published today, the European Commission said: "Today, American industry has just opened the first of a series of antidumping and countervailing

(ad/cvd) procedures against several partners in the negotiations, of which one is the community."

The commission, very worried by the risks to the steel trade through ad/cvd complaints, said the real objective of the ad/cvd complaints "is not to sanction the non-respect of normal commercial rules but either to obstruct legitimate trade in steel or to force partners of the United States to accept the renewal of voluntary restriction agreements."

"This would be a return to the practices of harassment bitterly experienced by the United States' trading partners in 1982 and 1984 and be clearly at variance with the public declarations of the U.S. government emphasising the need to liberalize flows of steel trade," the statement said.

The European Commission "urges the government of the United States to be severe in the examination of ad and cvd complaints and not admit any cases the main purpose of which is harassment of legitimate trade," the statement concluded.

### **U.S. Delays Pullout of Subic Base Drydock**

*OW1604120792 Beijing XINHUA in English  
1127 GMT 16 Apr 92*

[Text] Manila, April 16 (XINHUA)—The U.S. Navy said today that it has postponed the towing of the last of its three floating drydocks from Subic Naval Base.

It offered no explanation for the sudden move.

The medium-sized drydock, with a lifting capacity of 18,000 tons, was originally scheduled to be towed to Yokosuka, Japan, on April 17.

Philippine officials said the move could seriously hamper the Aquino government's plan to convert the base into civilian use after the U.S. pullout from the country is completed in December.

The other two drydocks were taken away to Guam and Pearl Harbor on February 21 and March 28 respectively.

The Philippine Government earlier hoped that the U.S. would leave behind at least one of the three drydocks for use as a key component in its base conversion program. Replacing all three is estimated to cost 121 million U.S. dollars.

Keppel Corp. Ltd. and Sembawang Shipyard Ltd. of Singapore each applied to buy one of the drydocks, hoping to put up an ASEAN ship repair facility in Subic.

### **U.S. MIA Search Mission To Go to SRV**

*OW1704012092 Beijing XINHUA in English  
2343 GMT 16 Apr 92*

[Text] Washington, April 16 (XINHUA)—The U.S. largest search mission for American servicemen missing

during the Vietnam war will go to the Southeast Asian nation next week, the Pentagon announced today.

Pete Williams, spokesman of the Defense Department, said "These operations are the most ambitious undertaken to date in Vietnam in terms of geographic area covered and field teams employed."

He said 58 U.S. team members will arrive in Vietnam on April 20 to link up with Vietnamese counterparts and work for 30 days in seven Vietnamese provinces both in the former South and North Vietnams.

Asked whether the search teams would go to locations where Americans servicemen were reported to have been sighted alive or held in captivity, Williams said "yes to all those questions."

"We have a list of people, POW/MIA (prisoner of war/missing in action) that are unresolved cases. What we do is go to the last place where they were and start looking there," he added.

U.S. records show 2,266 American servicemen are still missing as a result of the Vietnam war.

### **U.S. Urges Afghanistan's 'Peaceful Transition'**

*OW1604230292 Beijing XINHUA in English  
2121 GMT 16 Apr 92*

[Text] Washington, April 16 (XINHUA)—The U.S. Administration today urged all parties in Afghanistan to support U.N. efforts to peaceful transition in power after the resignation of President Najibullah.

Margaret Tutwiler, spokeswoman of the State Department, also called on Afghan guerrillas to exercise restraint and allow the United Nations to supervise a transition to free elections for a new government.

Afghan President Najibullah was forced to give up power to a coalition of generals and a key guerrilla commander early today after he tried to flee the country.

Najibullah planned to flee the country after the guerrillas captured the important air base of Bagram only 50 km north of the capital of Kabul earlier this week.

"We call on all parties to support the United Nations' efforts there," Tutwiler said at a regular State Department news briefing. "We call for all parties to do whatever they can to ensure that this is a peaceful transition."

She also called on the guerrillas not to "go on a rampage" against Najibullah's supporters.

The U.S. Government had armed the Afghan guerrillas following the Soviet Union's invasion of Afghanistan in 1979. But it stopped arms supplies to the guerrillas this year in order to support U.N. peace efforts.

Tutwiler said, "we have made no secret of our view that in order for this transition to go to its logical conclusion

of free and fair elections, self-determination for Afghanistan, we want a broad-based government at peace with its neighbors."

The U.N. secretary general's special envoy Benon Sevan is in Kabul to try to arrange a peaceful resolution and agreed-upon mechanisms for a transition process.

### **ESCAP Reportage Continues, Leaders Comment**

#### **Secretary Praises Economic Growth**

*OW1404183692 Beijing XINHUA in English  
1608 GMT 14 Apr 92*

[Text] Beijing, April 14 (XINHUA)—Rafeeuddin Ahmed, undersecretary-general and executive secretary of the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP), said here today that the economic resilience and importance of the Asia-Pacific region has increased impressively over the past decades. Speaking at the 48th Session of ESCAP, which opened here this afternoon, he said it is heartening to note that the rates of economic growth in the ESCAP region have continued to remain high with an average of around 6 percent growth in GDP [gross domestic product] both in 1990 and 1991.

In 1991, a number of countries and economies in the region, including China, recorded higher rates of growth over the previous year, Ahmed said.

Export growth in the region was well sustained with strong growth in intraregional trade offsetting some of the weakness in extra-regional demand, he said.

More importantly, domestic demand played an increasingly important role in overall economic growth.

However, he noted, despite the dynamic economic performance with improved manufacturing competitiveness, the economies of the region are likely to face new challenges as a result of the accelerating trend toward regional blocs, increasing protectionism and diminishing access to new and modern technologies—all of which are likely to constrain the process of promoting manufacturing activities on a wider scale. He pointed out, countries of Asia and the Pacific continue to face formidable social problems, which had earlier been expected to disappear in the wake of economic progress.

Equally evident, he added, is the fact that the persistence of these problems is increasingly imposing itself as a constraint on growth itself.

In addition to widespread poverty and major disparities in the distribution of income and wealth, he noted, many countries in the region continue to be burdened with high rates of population growth and unbalanced demographic distribution.

He said that inadequate physical infrastructure, such as transportation, communications and housing, as well as social infrastructure, including access to potable water,

essential sanitation, basic public health and elementary education seriously hinder the development of these countries.

"Uncontrolled exploitation of natural resources and environmental degradation," he said, "can adversely affect the quality of life of the peoples of the region both at present and in the future."

The region's disadvantaged and vulnerable groups, including women, children and youth, disabled persons and the elderly, often have to bear the brunt of the consequences, he said.

To solve these problems, he said, the U.N. General Assembly adopted the international development strategy for the fourth United Nations Development Decade, according special attention to the social aspects of development.

#### **XINHUA Interviews Butrus-Ghali**

*OW1604112692 Beijing XINHUA in English  
1104 GMT 16 Apr 92*

[Text] Beijing, April 16 (XINHUA)—United Nations Secretary-General Butrus Butrus-Ghali said here today that he has obtained "clear and strong support" from China for the UN's new role and actions in peace-keeping and promoting co-operation in economic and social development.

In an exclusive interview with XINHUA here earlier today, Butrus-Ghali said he had had "positive and constructive discussions" with the Chinese leaders on a series of issues, including the grand celebrations for the 50th anniversary of the UN in 1995 and the holding of a UN summit meeting on social development.

He expressed his gratitude again to the Chinese side for its support for the work of the UN.

On the role of the UN in the future development of the world, the secretary-general said that the UN "must have political imagination."

"The United Nations should not only solve the existing problems and disputes, but should prepare itself and the international community for possible problems which don't exist today but may occur in the next few years or even the next century," Butrus-Ghali noted.

Butrus-Ghali pointed out that there is more and more awareness of the unity of the interests of all the countries in the world, or in a simple image, "we are all in the same boat." So, he went on, a global approach is necessary in dealing with the problems of the world.

Speaking of the changing world structure, Butrus-Ghali said that the cold war is being replaced by many small-scale conflicts and disputes throughout the world. He noted that regional organizations and their members can play an important role, though different from that of the United Nations.

In addition, Butrus-Ghali said, the end of the Cold War and the rapprochement between the East and the West "may contribute to a marginalization of the south." Therefore, it is essential to maintain a balance between East-West relations and North-South relations, he added.

On the growing disparity—and particularly the economic gap—between the North and South, he said, a prerequisite for real North-South dialogue lies in better South-South co-operation.

In the north, there are political as well as economic groupings, including the European Economic Community and an emerging free trade zone in North America, he said. In the South, however, co-operation remains weak.

Thus, he called for stronger South-South co-operation at not only the economic and social level, but also at the political and cultural level.

As further disparity between the North and South will affect world peace, North-South dialogue should be promoted by way of encouraging South-South co-operation.

He said, "the fact that I will leave for Phnom Penh and visit the UN peace-keeping forces there proves how much attention the United Nations is paying to peace and security in this region."

Butrus-Ghali also said that he will visit south China's Shenzhen Special Economic Zone. This, he said, proves that the United Nations is interested in the "very important" experiences of China's economic development, which will help other Third World countries overcome the problems of underdevelopment.

**Butrus-Ghali on Cambodia, Yugoslavia**  
*OW1504130992 Beijing XINHUA in English*  
*1256 GMT 15 Apr 92*

[Text] Beijing, April 15 (XINHUA)—United Nations Secretary General Butrus Butrus-Ghali announced here today that he will soon visit Cambodia, Thailand and India.

Speaking at a press conference he gave this afternoon, Butrus-Ghali said after visiting Beijing, he is scheduled to tour the south China city of Shenzhen, and then to visit Cambodia, Thailand and India before returning to New York.

He said during his visit to Cambodia he will see the last evolution of the situation, because there is a very important United Nations presence in Cambodia.

On the situation in Yugoslavia, Butrus-Ghali said, "in spite of difficulties, I am optimistic." He added he believed there is a political will among the different Yugoslav leaders of the different republics to find a peaceful solution.

In a meeting with Indonesian Foreign Minister Ali Alatas here earlier today, Butrus-Ghali also said he will soon visit Cambodia.

Alatas said, "it is a very good idea that the secretary general will make a personal visit to Cambodia," adding that this will show the support of the UN secretary-general for the solutions to the Cambodia question.

**Butrus-Ghali Meets Indonesian Envoy**

*OW1504104592 Beijing XINHUA in English*  
*1032 GMT 15 Apr 92*

[Text] Beijing, April 15 (XINHUA)—Butrus Butrus-Ghali, visiting secretary general of the United Nations, met with Indonesian Foreign Minister Ali Alatas at the Diaoyutai State Guesthouse here this afternoon.

After the meeting, Alatas told XINHUA that he exchanged views with secretary general on several issues in which Indonesia has been quite active.

Alatas said, he shared with the secretary general his views on Cambodia issue, and the most important things that needs to be done in the context of implementation of the Paris agreement.

Indonesia, as co-chairman of the Paris conference, initiated several meetings to find solutions to the Cambodia problem, alatas said. He added he is eager to see progress being made in implementation.

Alatas said he told the secretary general his opinion about what was needed now in order to speed up implementation of the paris agreement.

According to Alatas, the secretary general is going to visit cambodia very soon. "It is a very good idea that the secretary general will make a personal visit to Cambodia," he said, adding that this will show the support to the solutions to the Cambodia problem by the UN secretary general.

**Liu Huaqiu Views Regional Economy**

*HK1604071492 Beijing CHINA DAILY*  
*in English 16 Apr 92 p 1*

[By staff reporter Wang Yong: "Strong Asian Trade Ties Urged"]

[Text] "Faced with mounting global trade protectionism, the Asian and the Pacific nations should cement their regional economic co-operation but not wall themselves in," a leading Chinese Government official said in Beijing yesterday.

"Regional economic co-operation should be open, not only to countries within the region, but to those on the outside," stated Liu Huaqiu, Vice Foreign Minister and Vice Chairman of the Chinese delegation to the 48th session of ESCAP (the UN Economic and Social Commission for Asia and the Pacific).

He made the remark at the session's first general debate, presided over by Chinese Foreign Minister Qian Qichen.

Delegates from almost all of ESCAP's 55 members and a number of international organizations attended the meeting to discuss the impact of recent international developments, including the Uruguay Round of multilateral trade negotiations, on the regions' economies.

Another urgent topic was how to carry out the international development strategy for the fourth United nations development decade, including social development strategy through the year 2,000 and beyond.

Liu said regional economic co-operation among ESCAP countries should be predicated on common prosperity achieved through such measures as alleviating poverty.

He noted that the regional collaboration can contribute to the world's economic health as long as countries in the region have mutual respect for differences in their social systems, natural conditions and cultural traditions.

"The key to effective regional cooperation lies in our ability to turn such diversity into complementary relationships," he said.

During the meeting, Japan called for trimming of military spending to boost the region's development, while Thailand and Indonesia voiced concern about the gloom-and-doom tone of the Uruguay negotiations.

Indonesian Foreign Minister Ali Alatas, who heads his country's delegation, argued that failure to reach agreement at the Uruguay talks would only spark widespread trade protectionism.

In a separate meeting, Escap members studied reports by the Asian and Pacific Centre for Transfer of Technology (APCTT) and the Regional Network for Agricultural Machinery (RNAM) on how to push forward the region's industrial and technological development.

#### Azerbaijan Pledges 'Additional Boost'

OW1504083392 Beijing XINHUA in English  
0624 GMT 15 Apr 92

[Text] Beijing, April 15 (XINHUA)—A new ESCAP member said here today by joining the UN Economic and Social Commission for Asia and Pacific [ESCAP] Azerbaijan hopes to give an additional boost to the development and widening of these links to join in the multilateral cooperation in Asia and the Pacific region.

The nation wants to take part in the activities of such regional financial institutions as the Asian Development Bank, Foreign Minister Guseinaga Musa Sadykhov said at the 48 session of the ESCAP, which began the general debate today.

"We are interested in participating in the commission's activities aimed at the settlement of regional and global economic problems, regional social programs and

working out of projects for ecological security of the countries in the region," he stated.

He said: "Joining the ESCAP is one of the priorities of our foreign policy," the gist of this policy is to create at the expense of outer factors favorable conditions for deep reforms and transformations in national economy, to encourage and speed up the establishment of market-oriented economy."

Azerbaijan considers close mutually-advantageous economic cooperation and economic linkage and interdependence on the regional level to be the most important elements of ensurance of peace and cooperation in the region, the minister added.

He said that with its sufficiently developed industry, qualified technical and scientific potential azerbaijan can make a definite contribution to the activities of escap and to the mutual benefit of the commission member-states.

"Export opportunities of our country can also be used on the basis of mutual profit including oil products such as diesel fuel, heavy fuel, gasoline, rolled non-ferrous metals, fertilizers, petrochemical, oil production equipment, cotton-fiber and electro- technical appliance," he added.

According to the minister, Azerbaijan has already accumulated some experience of cooperation with the countries of Asian-Pacific region. It has concluded intergovernmental agreements on cooperation in the fields of trade, economics, culture, science and technology.

Azerbaijani enterprises and companies are actively developing trade links with their partners from Australia, Afghanistan, Vietnam, Iran, China, Korea and Pakistan, he added.

#### Members Call for Trade Improvements

OW1604142792 Beijing XINHUA in English  
1401 GMT 16 Apr 92

[Text] Beijing, April 16 (XINHUA)—ESCAP members called for closer cooperation in the development of their economies today, the third day of the 48th Session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

Mohamed Shihab, director of external resources of the Maldives Ministry of Foreign Affairs, said in his speech that countries in the Asia-Pacific region had benefited "immensely" from cooperation among themselves.

He appealed to ESCAP members to be "better organized, better informed and more willing to face the challenges in our region." "In a constantly changing world, innovations have to be thought of and adaptive mechanisms have to be created," he said.

Dato Haji Ahmad Wally Skinner, deputy minister of finance of Brunei Darussalam, said that economic and social development had to go hand in hand.

He said that the lack of progress in the Uruguay Round of multilateral trade negotiations had been a matter of concern to his country. "The entrenched attitudes and lack of perspective of some key players in the negotiation remain a major stumbling block," he said, adding the delay would have serious implications for the region.

Thomas R. Padilla, under-secretary of foreign affairs of the Philippines, said that a successful round had to include substantial liberalization of trade in both goods and services based on strengthening multilateral trade rules. His country was committed to strengthening an open multilateral trading system.

J.A.M. Giesen, permanent representative of The Netherlands to ESCAP, urged Asia-Pacific countries to focus their attention on promoting regional cooperation and set aside their difference.

"In the first place countries (of the region) need to have the political will to cooperate," he said.

Aline Wong, Singapore's minister of state for health, noted that the end of the Cold War provided opportunities for the world's major powers to strengthen their cooperation. The relaxation of the East-West contention did not eliminate all potential sources of conflict in the region.

Bertrand de Guilhem de Lataillade, ambassador, directorate, United Nations and International Organizations, Ministry of foreign Affairs of France [name and titles as received], expressed his country's strong support for enhancing regional cooperation in the region.

France worked towards a speedy conclusion of the Uruguay Round of multilateral negotiations, which would be beneficial to the developing countries, he said.

Sangay Ngodup, joint secretary of the planning commission, Bhutan, said that his country had undergone considerable economic restructuring, with the emphasis on privatization of trade and industry. Bhutan would be directly affected by the lack of agreement at the Uruguay Round of multilateral trade negotiations, he added.

Michael Powles, New Zealand's ambassador to China, said that a successful conclusion to the Uruguay Round would provide a great boost to his country's economy.

Absolute poverty remained an acute problem in many parts of the region, he said. Political changes and uncertainties, natural calamities, low commodity prices and the consequences of the Gulf war were major causes of economic set-backs in the region.

Leng Mouly, member of the National Supreme Council of Cambodia, told the commission that peace had not been firmly established in Cambodia. His government count on the international support to help rebuild Cambodia.

He appealed to all nations to consider investing in his country.

### South Asians Stress 'Development'

*OW1704105592 Beijing XINHUA in English  
1032 GMT 17 Apr 92*

[Text] Beijing, April 17 (XINHUA)—South Asian countries have called for more regional co-operation in the Asian-Pacific region and more attention to the development of those land-locked nations in particular.

At the ongoing 48th Session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), delegates from these countries look forward to better and closer relations with other countries of this region in trade, capital and technology.

S. Gautamadassa, Sri Lankan ambassador to China, said at today's plenary meeting that although the countries like his are receiving considerable assistance from friendly developed nations and international agencies, "the help we could obtain through cooperation among the countries of this region should not be under estimated."

In this connection, he said, "it must be mentioned that the program of work of the South Asia Association for Regional Co-operation (SAARC) for the current year envisages the promotion of co-operation in the fields of trade, poverty alleviation, environment and children."

Ram Sharan Mahat, vice-chairman of the Nepalese National Planning Commission, said that Nepal is fully committed to support and participate in all regional efforts aimed at strengthening and expanding the areas of co-operation.

Mahat told the ESCAP session that Nepal is in favor of having two special bodies, one on the least developed and land-locked developing countries and the other on the Pacific island developing countries.

He said the two groups of countries, though differing in terms of their unique features, resource endowments, development problems and so forth, are the groups of countries where the development needs are the greatest.

While designing programs of regional co-operation, he added, the special needs of the least developed, land-locked and island developing economies should be given adequate consideration.

Salman Khurshid, deputy minister for commerce of India, pointed out that there is a limitless scope for further enhancing and strengthening regional economic co-operation.

Khurshid, sharing views with D.O. Abel, minister for planning and finance and for trade of Myanmar [Burma], said that the "uneven growth" performance among the developing countries of the Asian-Pacific region is still "a cause for concern," although these countries had sustained an estimated average growth rate of 6.2 percent in 1991, nearly the same as the previous year's 6.1 percent.

In the area of trade expansion, Khurshid noted, the performance of the region "has not been too encouraging", as the fall in prices of major primary commodities has affected the export earnings of a number of developing countries in the region.

Also, he added, though there was an overall trade surplus of 26.3 billion U.S. dollars for the region as a whole during 1990, most developing countries have experienced an overall trade deficit of 29.7 billion U.S. dollars.

### Singapore, Philippines Urge Ties

OW1604062892 Beijing XINHUA in English  
0609 GMT 16 Apr 92

[Text] Beijing, April 16 (XINHUA)—Singapore and Philippines called for the promotion of a greater regional cooperation here today in their statements at the ongoing 48th session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

"The end of the cold war has ushered in a mood of cooperation among the major powers, and this has been translated into improved prospects for peace and stability in the ESCAP region," said Aline Wong, minister of state for health of Singapore and the head of the country's delegation to the current session of ESCAP.

The shape of a new world is still unclear, she said, "But what is obvious is that with the end of the Cold war, the need for the West to woo developing countries as part of its containment strategy has diminished, the developing countries could no longer expect easy economic assistance and preferential access to markets in the West."

While the trend of "globalization" should be encouraged towards a "borderless" world economy, "attention should also be given to greater cooperation amongst ourselves," she pointed out.

"Given the different stages of development that we are in, there is much scope for cooperation" and "it would be in the interests of ESCAP members to seriously consider how to combine their comparative advantage with that of their neighbors to further stimulate economic growth," she added.

She said that ESCAP is well-placed to play an important role in facilitating cooperation among its member states. "It must review its resources and study how best to undertake this task and assist member states in strengthening their socio-economic infrastructures."

Hon. Tomas R. Padilla, head of the Philippine delegation, voiced the same opinion during his speech.

"We maintain the view that it is necessary to undertake a complete rethinking of regional priorities and the role of ESCAP in the region," he said.

He said that ESCAP must be able to institute measures that will develop and strengthen its coordinative roles

not only towards its member countries but also with other U.N. agencies and bilateral and multilateral cooperating agencies.

"We face great challenges in a changing and highly competitive world economic environment. It is therefore timely that at this session, we seek to restructure the commission's intergovernmental machinery, thus rising to meet the challenge that increased regional economic cooperation calls for," he added.

### Island Nations Call for Reform

OW1604153492 Beijing XINHUA in English  
1517 GMT 16 Apr 92

[Text] Beijing, April 16 (XINHUA)—Island countries in the Pacific sub-region today called for reform of certain domestic policies toward a competitive world market, as well as more regional co-operation to revive their stagnant economy.

Speaking at the 48th Session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), South Pacific delegates said they are hopeful that they will move from the stagnation which marked the 1980s in the region to more sound growth and structural transformations during the next decade.

"Dispersed and isolated, these countries are heavily dependent upon a limited number of export items which are subjected to internal and external factors we have no control, as well as to frequent natural disasters," said Ratu Adi Finau Tabakaukoror, minister for women, culture and social welfare of Fiji.

He said his country has focused its attention "upon the need for economic and financial adjustment and reforms", and on the other hand, he held, the ESCAP's programs which touch upon economic management, adjustments and reforms in the Pacific sub-region, should continue.

"Market access is crucial in outward oriented policies," Tabakaukoror said. He noted that these countries should "earn their living in an increasingly competitive world."

He pointed out that despite the international attention is being given to other parts of the globe, the Asia-Pacific area will "continue to be the world's most dynamic region for the many years to come."

Therefore, he said, the development outside the sub-region will continue to have impact on their "fragile economies directly and quickly," by means of capital flow, foreign investment, trading and other areas.

### Chief Justice Meets International Jurist

OW1204125392 Beijing XINHUA in English  
1237 GMT 12 Apr 92

[Text] Beijing, April 12 (XINHUA)—President Ren Jianxin of China's Supreme People's Court met here this

evening with President Franklin Hoet-Linares of the World Jurist Association, and gave a dinner in his honor.

They had a conversation on furthering the exchange and cooperation between China's juristic circles and the World Jurist Association.

#### **International Committee Formed To Reinforce U.N.**

*OW0904225392 Beijing XINHUA in English  
1619 GMT 9 Apr 92*

[Text] Stockholm, April 9 (XINHUA)—A committee designed to reinforce the roles played by the United Nations and other international organizations announced its establishment here today.

The committee, which is jointly headed by former Swedish Prime Minister Ingvar Carlsson and former Secretary General of the British Commonwealth Shridath Ramphal, will embrace experienced political leaders from all parts of the world.

Speaking at a press conference, Carlsson said the committee, as an independent international institution, would strive to strengthen the roles played by existing international organizations, especially that played by the United Nations, in order to establish a better global cooperative mechanism.

The idea of establishing such a committee, he said, was raised last April at an international conference held in Sweden.

Carlsson disclosed that he and Ramphal had informed U.N. Secretary General Boutros Boutros-Ghali of the committee's formation in Geneva earlier this week and gained his support.

Carlsson said the first plenary meeting of the committee was expected to be held late this summer.

#### **International Environmental Conference Opens**

*OW1504032892 Beijing XINHUA in English  
0234 GMT 15 Apr 92*

[Text] Beijing, April 15 (XINHUA)—A campaign to turn the whole globe green opened today in Shanghai.

The campaign is jointly sponsored by the United Nations Environment Program (UNEP) and the Development Research Center of the International Technology and Economy Institute under China's State Council.

Environment experts, scholars and officials from 21 countries and regions, as well as international organizations including the UNEP, the World Bank, the global Green Cross of the United States, and the Center for Urban Community Development of the University of Wisconsin in the U.S. attended the opening ceremony.

The campaign has four main platforms: a global conference on the interrelationship between the environment

and economic development, international children's art exhibition on the theme of greening the globe, international exhibition of applied technology and products for environmental protection, and a concert of international singing stars.

At the conference held yesterday afternoon, Uttam Dabholkar, chief of development planning and co-operation of the UNEP, said that the current campaign, kicked off in China, is aimed at strengthening the sense of environmental protection worldwide and to greet the opening of the U.N. Conference on the Environment and Development, scheduled to be held in Brazil in June this year.

Cai Xiaoyu, deputy director of the Development Research Center of the State Council's International Technology and Economy Institute, said that China lists environmental protection as part of its basic state policy.

During the four-day conference, the participants will present over 50 academic papers on economic development, environmental protection and education, and pollution control technology.

#### **CPC Delegation Leaves for Turkey, Yemen**

*OW1704025792 Beijing XINHUA in English  
0247 GMT 17 Apr 92*

[Text] Beijing, April 17 (XINHUA)—A delegation from the Communist Party of China (CPC) led by Chen Guangyi, member of the CPC Central Committee and secretary of the CPC Fujian Provincial Committee, left here by air today on a visit to Turkey and Yemen at the invitation of the Social Democratic Populist Party of Turkey and the General People's Congress of Yemen and Yemen Socialist Party.

#### **Japan Favors Improvement in Sino-Indian Relations**

*OW1504120092 Beijing XINHUA in English  
1133 GMT 15 Apr 92*

[Text] New Delhi, April 15 (XINHUA)—Japan has said the improving relationship between India and China is "good for stability in Asia," the PRESS TRUST OF INDIA (PTI) reported.

According to PTI, during its recent three-day visit to Japan, an Indian delegation headed by Foreign Secretary J.N. Dixit [name and title as received] discussed with Japanese officials bilateral relations with neighboring countries. The Indian officials, among other things, gave an account of qualitative improvements taking place in Sino-Indian relations, PTI reported.

In this connection, PTI reported, the Japanese side said "improvement in relations between India and China was good for stability in Asia."

Dixit was quoted as saying that he got an impression that Japan's relations with China were on good terms.

PTI said that discussions on bilateral relations between India and Japan were dominated by economic issues and

the Japanese said the more India liberalizes its economy, the greater would be the prospect of Japanese investment flow to India.

**Article on Northeast Asia Economic Cooperation**  
*HK1304040992 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 13, 30 Mar 92 pp 25-26*

[Article by Lu Jianren (7120 1696 0086): "Northeast Asian Economic Cooperation and Development of Tumenjiang Delta"]

[Text] Although the global economy has been at a low ebb since 1990, Asia-Pacific economy is still healthy. In particular, the Northeast Asian region is becoming a new growth area in Asia-Pacific. In an international situation of peace and development, six countries in the Northeast Asian region—China, the Russian Federation, North Korea, South Korea, Mongolia, and Japan are all seeking multilateral economic cooperation. Recently, international economic cooperation in Northeast Asia has drawn worldwide attention in the wake of the announcement of the Tumen Jiang Delta development program by the United Nations Development Program [UNDP].

**The "Golden Triangle" of International Economic Cooperation in Northeast Asia**

Tumen Jiang is an international river which flows through many countries before reaching the sea. It rises in the eastern foot of Changbai Shan's main peak in China's Jilin Province and has a total length of 525 kilometers. Its mainstream flows from its source to the vicinity of the Sino-Russian boundary marker bearing the character "tu" [0960] to the east of Hunchun. The mainstream, approximately 510 kilometers long, serves as the border between China and North Korea while its remaining course of 15 kilometers serves as the border between Russia and North Korea, and then the river finally flows into the Sea of Japan. As everyone knows, the "Sino-Russian Treaty of Beijing," signed in 1860, forced China to give up 400,000 square kilometers of land stretching from the estuary of Heilong Jiang to that of Tumen Jiang but specified that Chinese residents were entitled to sail to the sea from the Tumen Jiang estuary. In the past, many Chinese residents used to sail to the sea via the Tumen Jiang water course to trade with Russians, Koreans, and Japanese. It was only in 1938, when Japan blockaded the Tumen Jiang estuary, that Chinese residents were forced to discontinue these activities. In May 1991, China and the Soviet Union decided through negotiations to restore China's navigation rights along Tumen Jiang, which has obviously been significant to peace, stability, and economic development in that area.

The Tumen Jiang Delta, which is situated at the juncture of China, Russia, and North Korea, encompasses three administrative regions, namely, Hunchun in China, the (Hasang) [0761 2718] District of Russia, and the Songpong (Unggi) County of North Korea. It is a "golden

triangle" which is full of potential for economic development. First, as far as geographical location is concerned, it is situated at the center of Northeast Asia. Its northern part borders on Russia's Far Eastern region, its southern part borders on the Korean peninsula, its eastern part is very close to Japan's western coastal area, and its western front stretches into China's Northeast industrial area and serves as Mongolia's shortest route to the sea. Second, as far as communications conditions are concerned, it possesses a convenient international communications network with three seaports, a railway, and two highways. In the future, the opening of Tumen Jiang for navigation and the completion of the land communication system will be able to provide the most convenient and fastest Eurasian continental bridge for the Korean peninsula and Japan's western coastal areas and will form another international link. The Pacific Ocean is directly accessible if setting out from Tumen Jiang via the Sea of Japan, and this kind of communications potential is very suitable for that area to develop as an international entrepot. Third, as far as natural resources are concerned, the area has rich resources of coal, lumber, gold, nonferrous metals, land, fresh water, and construction materials, and is suitable for the development of modern industries and agriculture. Fourth, as far as the economic structures of neighboring countries are concerned, they are very complementary to each other: cheap labor is available in China, North Korea, and Mongolia, Russia is endowed with rich natural resources, and Japan and South Korea have abundant capital and advanced technology, thus forming an evidently complementary network in terms of production factors and industrial mix.

In recent years, various Northeast Asian countries have been increasingly willing to seek regional economic cooperation in the wake of the global economic development trend of bloc formation and regional groups, and it follows that the value of developing the Tumen Jiang Delta is commonly appreciated by various countries. China, Russia, and North Korea concurrently selected the Tumen Jiang Delta as a locality for opening up to the outside world, and other neighboring countries have also shown their positive intentions to develop the area. Mongolia sees passage to the Sea of Japan via Tumen Jiang as an important goal while Japan considers the Tumen Jiang Delta as an ideal locality for investment and development of new industries through tapping natural resources and utilizing the labor force there, and it can also use the continental bridge to explore markets in Mongolia and Russian Siberia. South Korea intends to upgrade its domestic industry, expand its influence in areas around the Sea of Japan, and boosts its strength to compete with Japan in investment and trade in the area. It is precisely in this way that the Tumen Jiang Delta will become Northeast Asia's "golden triangle" of international economic cooperation.

**Huge UNDP Program**

The economic value of developing the Tumen Jiang Delta was first discovered by international academic

circles, and various schemes have been proposed by scholars in China, Russia, North Korea, South Korea, and so on. In the summer of 1990, an international conference was held in Changchun. During the meeting, the development of Tumen Jiang as a key cooperation project between Northeast Asian countries was put on the agenda for the first time and rated highly by UNDP officials present. In July 1991, the UNDP held the first international conference concerning Tumen Jiang's development in Ulan Bator and organized an expert group afterwards to conduct on-the-spot investigations and propose a huge development program.

The expert group said that the Tumen Jiang Delta was situated in a strategic position functioning as a regional and global focus for trade and distribution and had extremely good communications potential. After 10 to 20 years, it could become another Rotterdam or Hong Kong and provide a trading channel between East and West along the Eurasian continental bridge, which would help stimulate the development of global trade. Meanwhile, the area possesses enough energy and raw material resources to make it a modern industrial center promoting Northeast Asia's economic prosperity.

The UNDP's experts have proposed a magnificent development blueprint involving total investment of \$30 billion over 20 years. The development program is divided into two phases: During the first phase, a triangular international special economic region encompassing Hunchun in China, Rajin in North Korea, and Posyet in Russia and covering an area of 1,000 square kilometers will be set up. During the second stage, the region will be enlarged 10 times and transformed into a larger triangle encompassing Yanji in China, Chongjin in North Korea, and Vladivostok in Russia, which will become a duty-free shipping and processing area. According to this program, four industrial sectors, namely, basic industries, processing industries, light industry, and support industries will be established, as well as massive infrastructure. The latter will include: ten modern special-purpose piers; a Tumen Jiang inland river wharf inside China; an interior distribution center in Hunchun, including a railway marshalling yard, a container center, and a truck terminal; extended and newly built international airports; a railway network for loading heavy goods and containers and linked with seaports; an expressway network; an power network, including three power stations with a generating capacity of 1.2 million kilowatts each; a satellite and optical fiber cable communications system; the construction of a modern city with a population of 500,000; a system supplying 500,000 cubic meters of potable water per day; a waste disposal system; and an education center for training skilled labor.

The UNDP announced the above-mentioned development program in October 1991 after an international conference was held in Pyongyang, and it instantly drew worldwide attention. Immediately afterwards, the UNDP appropriated \$3 million for an 18-month feasibility study. In February 1992, the third international

conference on Tumen Jiang development was held in Seoul. In late April, China will chair an international conference in Beijing concerning strategy for the development of Tumen Jiang.

#### Broad Prospects for International Cooperation

The development of the Tumen Jiang Delta will benefit 300 million people in Northeast Asia, and it is also an attempt by Northeast Asian countries to cooperate economically under the auspices of the UNDP. In order to implement the Tumen Jiang development program, China has designated Hunchun as an area for development and opening up to the outside world. At present, the construction of infrastructure is being accelerated in Hunchun and preferential policies equivalent to those adopted in the open coastal cities are to be implemented here as well. It is expected that Hunchun will become a "Shenzhen" of northern China and the commercial trading port through which China can enter the Pacific Ocean via the Sea of Japan. North Korea intends to set up an economic and trade area encompassing Chongjin, Rajin, and Sonpong, and this plan is supported by South Korea. Russia, Mongolia, and Japan have shown their unanimous support for the development program. Now the six Northeast Asian countries have formed a management committee in charge of development projects in the Tumen Jiang Delta and have set up three work groups to handle affairs involving legal matters, organization, trade, investment, technology, infrastructure, and so on. Meanwhile, they are raising funds from international financial circles. People anticipate that Japan and South Korea will provide the funds and technology for this program. Obviously, prospects for economic cooperation between Northeast Asian countries in the Tumen Jiang development projects are broad in scope.

#### Central Eurasia

##### Russian Ambassador Views Yeltsin Asian Visit

OW1604132192 Beijing XINHUA in English  
1306 GMT 16 Apr 92

[Text] Beijing, April 15 (XINHUA)—Preparations are under way for the visit of Russian Federation President Yeltsin to a number of Asian countries, said I.A. Rogachev, head of the Russian delegation, at the ongoing United Nations forum here today.

Rogachev, also ambassador to China, said this in a statement at the 48th Session of the UN Economic and Social Commission for Asia and the Pacific, when discussing his country's ties with ESCAP.

Rogachev said: "We are witnessing a fruitful quest for new points of connection, new directions and spheres of cooperation." Russian Federation intends to develop practical economic collaboration with its partners in Asia and the Pacific region. "We count on progressive

and organic integration into the Asian zone of trade and economic cooperation," he added.

He said the Russian Government will adopt a policy designed to attract foreign investment, especially in areas adjacent to the Pacific Ocean.

He told the audience that free economic zones were being established in the Russian Far East.

He noted that it would be appropriate to include these areas in the geographical scope of ESCAP.

He spoke of Russia's formal relations with ASEAN, adding that the country is also interested in getting involved in other existing mechanisms of cooperation in Asia and the Pacific, in order to move forward to concrete interaction by small, although tangible, steps.

"We count on the understanding and collaboration of all countries in the region with regard to the question of admission of Russia to APEC (Asia Pacific Economic Cooperation)," he added.

He said that Russia shares some existing ideas which are aimed at the establishment of closer relations on the subregional level in North-East Asia.

He noted that the problem of integrating of the Russian Far East and Siberia economies into the framework of Asia and the Pacific could become a theme of special research.

### Border Troop Reduction Talks Held in Beijing

OW1604130192 Beijing XINHUA in English  
1245 GMT 16 Apr 92

[Text] Beijing, April 16 (XINHUA)— The sixth round of talks on the reduction of military forces on the border and the strengthening of mutual trust in the military field was held here from March 21 to April 16 between the Chinese delegation led by Ambassador Wang Ganghua and the delegation representing the Russian Federation and others led by Ambassador G.V. Kireev [name and title as received].

According to the Chinese Foreign Ministry, the two sides exchanged views on the contents of the related agreements in a friendly and practical atmosphere, and achieved certain progress. both sides agreed to hold their next round of talks in Moscow.

During their talks, Chinese Vice-Foreign Minister Tian Zengpei and General Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army, met with Ambassador Kireev and his delegation on separate occasions.

Kireev and his party also toured Shanghai and Nanjing.

### Russia, Ukraine Sign Nuclear Arms Transfer Pact

OW1704012492 Beijing XINHUA in English  
2247 GMT 16 Apr 92

[Text] Moscow, April 16 (XINHUA)—Presidents of Russia and Ukraine today signed an agreement on the transfer of nuclear arms from Ukraine to Russia, ITAR-TASS reported.

Under the agreement, the Ukraine-based tactical nuclear weapons will be transported to the industrial bases in central Russia, where the weapons will be either dismantled or destroyed.

The Russian Foreign Ministry said that the agreement was also accompanied by a protocol on the process of control over the destruction.

According to an accord reached in Alma-Ata, the capital of Kazakhstan, in December last year, tactical nuclear weapons from Ukraine, Belarus and Kazakhstan will be destroyed in Russia by July 1, 1992.

But Ukraine unilaterally suspended the transfer of nuclear arms to Russia in February, demanding an international control over the process of destruction on Russian soil.

The new agreement, which took effect immediately after being signed, revitalized hopes that the Alma-Ata accord would be fulfilled. But it remains unknown when Ukraine will resume the nuclear arms transfer to Russia.

### XINHUA Notes Russian Federation Changes Name

OW1604140392 Beijing XINHUA in English  
1357 GMT 16 Apr 92

[Text] Moscow, April 16 (XINHUA)—The Sixth Congress of Russian People's Deputies decided today to change their republic's name to "Russia," ITAR-TASS reported.

Deputies voted 871-30, with 30 abstentions to change the name from "the Russian Federation" to plain and simple Russia.

They thus turned down President Boris Yeltsin's proposal to keep the former name which his adviser Sergey Shakhryad had advocated.

Last December, the Russian supreme legislature changed the republic's former name, the Russian Soviet Federative Socialist Republic, to the Russian Federation.

Russia's population, totaling 149 million people, comprises more than 100 ethnic groups living in 20 constituent republics, six territories, 49 regions, ten autonomous territories and one autonomous region.

**Russia 'Ready' To Develop Resources in Siberia**

*HK1604121192 Hong Kong AFP in English  
1121 GMT 16 Apr 92*

[Text] Beijing, April 16 (AFP)—Russia is ready to cooperate with Northeast Asia to develop its vast and resource-rich Far East and Siberian regions, a senior official said here Thursday.

"This year it is envisaged to privatize 65 percent of all enterprises in Russia's Far East," Igor Rogachev, ambassador to China, told a meeting of the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP).

Russia wanted to join in the "establishment of closer relations on the sub-regional level in Northeast Asia," Rogachev said.

Integrating the Russian Far East and Siberia with the regional economy should be a priority, said Rogachev, a former Soviet vice foreign minister in charge of Asian affairs.

He urged the commission, which groups some 50 regional countries, to carry out a study and make specific recommendations for exploitation of Siberia and the Far East.

The two regions were currently setting up high-technology research centers and laboratories and converting advanced defence-oriented factories to civilian production.

South Korean Foreign Minister Yi Sang-ok, lamenting here Wednesday the absence of cohesive economic cooperation in North Asia, called for a concrete framework to enhance development.

"In view of the recent improvement of political relations, we must search for a new model for economic cooperation in Northeast Asia," Yi said. "It is encouraging to note that Northeast Asian countries are now heading in this direction."

China, North Korea and Russia were to meet here later this month to discuss joint development of a large area along the Tumen River, where the borders of the three countries meet. The project is under the auspices of the U.N. Development Program.

**NACC Formally Accepts Georgia as Member**

*OW1604111692 Beijing XINHUA in English  
1044 GMT 16 Apr 92*

[Text] Brussels, April 16 (XINHUA)—The former Soviet Republic of Georgia was formally accepted as a member of the North Atlantic Cooperation Council (NACC), NATO sources said on Thursday.

The decision was made at the NACC ambassadors' bimonthly meeting Wednesday at North Atlantic Treaty

Organization (NATO) headquarters with participants from NATO member nations and the former Warsaw pact countries.

Georgia was not invited to join the NACC during its inception last December when Georgia had not been recognized by all NATO member nations.

The NACC now embraces 36 nations—16 NATO countries, five central and Eastern European countries, three Baltic states, and 12 republics of the former Soviet Union.

**Northeast Asia****Trade Ministry Talks With Japanese Officials****Li, Watanabe Exchange Views**

*OW1704110992 Beijing XINHUA in English  
1059 GMT 17 Apr 92*

[Text] Beijing, April 17 (XINHUA)—Li Lanqing, Chinese minister of foreign economic relations and trade, held talks here this afternoon with visiting Kozo Watanabe, Japanese minister of international trade and industry.

They exchanged views on further developing economic and trade cooperations.

Watanabe and his party arrived here today as guests of Li Lanqing.

**Two-Day Talks End**

*OW1604135192 Beijing XINHUA Domestic Service  
in Chinese 1607 GMT 15 Apr 92*

[By reporter Huang Fengzhen (7806 7685 3791)]

[Text] Tokyo, 15 Apr (XINHUA)—The 14th Sino-Japanese High-Level Work-Level [gao ji shi wu ji, 7559 4787 0057 0523 4787] Talks ended here today after a two-day session.

Eight officials of each side, including Ye Qing, Chinese vice minister in charge of the State Planning Commission, and Yuji Tanahashi, Japanese vice minister of International Trade and Industry, attended the talks.

During the talks, the both sides briefed each other on their economic situation and summed up achievements in economic cooperation between the two countries in the last few years.

Both sides expressed the wish to strengthen cooperation and to further develop the good economic cooperative relations between China and Japan, especially cooperation in the macroeconomic field.

### President Yang Shangkun Concludes DPRK Visit

#### Kim Holds 'Send-Off' Ceremony

OW1704084292 Beijing XINHUA Domestic Service  
in Chinese 0518 GMT 17 Apr 92

[By reporter Zhang Jinfang (1728 6930 5364)]

[Text] Pyongyang, 17 Apr (XINHUA)—PRC President Yang Shangkun successfully concluded his official good-will visit to the Democratic People's Republic of Korea [DPRK] and left Pyongyang for home by special plane today.

DPRK President Kim Il-song called on President Yang Shangkun at the (Baihuayuan) state guesthouse before the latter's departure. The two presidents held cordial and friendly talks with each other. Present at the talks were Kim Chong-il, member of the standing committee of the Political Bureau of the WPK [Workers Party of Korea] Central Committee; Kim Yong-nam, vice premier and foreign minister of DPRK; and Wu Xueqian, Chinese vice premier. After the talks, President Kim Il-song escorted President Yang Shangkun to the airport.

A grand send-off ceremony was held at the airport with a band playing the national anthems of Korea and China. Yang Shangkun, accompanied by Kim Il-song, reviewed a guard of honor of the three armed forces of the Korean People's Army. Amid lively music, President Yang Shangkun met with some 1,000 well-wishers cheering and waving flowers, and Korean and Chinese national flags. Yang Shangkun waved back to them.

On the ramp, President Kim Il-song and President Yang Shangkun cordially bid farewell to each other, and warmly shook hands and embraced each other. They also posed for a photograph together to mark the occasion. Yang Shangkun also asked Kim Chong-il and Vice Marshal O Chin-u, minister of people's armed forces, to join him and President Kim Il-song in having a group photo taken. Then, President Yang ascended the ramp and waved goodbye to Kim Il-song and other Korean leaders.

Also at hand to see President Yang Shangkun off at the airport were Supreme Commander of the Korean People's Army Kim Chong-il, Minister of the People's Armed Forces O Chin-U, Vice Presidents Yi Chong-ok and Pak Song-chol and Premier Yon Hyong-mok.

Also at the send-off ceremony were Zheng Yi, Chinese Ambassador to the DPRK; Major General Tian Sheng, representative of the Chinese People's Volunteers on the Korean-Chinese side of the Korean Military Armistice Commission; staff members of Chinese Embassy and other Chinese organizations in Korea; representatives of Chinese students in Korea; and diplomatic envoys of various countries in Korea.

While airborne, President Yang Shangkun sent President Kim Il-song a message to express his thanks for the warm

welcome, and cordial and friendly reception accorded him by Kim Il-song, the WPK, and the Korean government and people.

#### Yang Leaves for Beijing

OW1704051192 Beijing XINHUA in English  
0457 GMT 17 Apr 92

[Text] Pyongyang, April 17 (XINHUA)—Chinese President Yang Shangkun left here today, concluding his five-day visit to the Democratic People's Republic of Korea (DPRK).

Before Yang's departure, Dprk President Kim Il-song called on Yang and held cordial talks with him.

Besides Kim Il-song, present at the airport to see the Chinese president off were Vice Presidents Yi Chong-ok and Pak Song-chol, premier Yon Hyong-mok, supreme commander of the Korean People's Army Kim Chong-il and minister of the Korean People's Armed Forces O Chin-u.

Also at the send-off ceremony were Chinese Ambassador to the DPRK Zheng Yi and other foreign envoys in Pyongyang.

#### Jiang Zemin, Others Greet Yang

OW1704065292 Beijing XINHUA in English  
0632 GMT 17 Apr 92

[Text] Beijing, April 17 (XINHUA)—Chinese President Yang Shangkun returned to Beijing by special plane this morning after a five-day official good-will visit to the Democratic People's Republic of Korea.

Yang was greeted at the Great Hall of the People by General Secretary Jiang Zemin of the Chinese Communist Party, Premier Li Peng, Vice-Premier Yao Yilin, Vice-Chairman Ye Fei of the National People's Congress Standing Committee, Vice-Chairman Liu Huqing of the Central Military Commission, Vice-Chairman Ma Wenrui of the National Committee of the Chinese People's Political Consultative Conference, and Secretary-General of the State Council Luo Gan as well as Korean Ambassador to China Chu Chang-Chun.

Yang's entourage arrived in Beijing aboard the same plane.

#### Southeast Asia & Pacific

##### Li Peng Meets Thai Privy Council Delegation

OW1704070392 Beijing XINHUA in English  
0653 GMT 17 Apr 92

[Text] Beijing, April 17 (XINHUA)—Chinese Premier Li Peng met with a delegation of the Privy Council of Thailand here today.

Li had a cordial and friendly conversation with the delegation led by Prem Tinsulanonda, councillor of the Privy Council and former prime minister of Thailand.

Li said relations between China and Thailand have always been good and there is great potential for their cooperation in various fields. The Chinese Government attaches great importance to friendship and cooperation with Thailand, he added.

The premier described Tinsulanonda as "an old friend of the Chinese people," and spoke highly of his efforts of many years to promote Sino-Thai friendship.

Li also recalled his visit to Tinsulanonda's home during his trip to Thailand in 1990.

Tinsulanonda said he noticed great changes in China he visited 10 years ago.

The Chinese premier briefed the Thai visitors, who have been here as guests of the National Committee of the Chinese People's Political Consultative Conference, on China's reform and opening to the outside world.

#### **MOFERT Official Meets Australian's Evans**

*OW1504131892 Beijing XINHUA in English  
1304 GMT 15 Apr 92*

[Text] Beijing, April 15 (XINHUA)—Trade between China and Australia, which exceeded 2.1 billion U.S. dollars in 1991, up 11.6 percent over 1990, reached a record high since the two countries established diplomatic relations in 1972.

According to Chinese customs, China imported Australian products valued at over 1.55 billion, a 15 percent increase over the previous year, while exports rose by 21 percent to 550 million U.S. dollars.

The figures were announced recently by Wu Yi, vice minister of the Ministry of Foreign Economic Relations and Trade (MOFERT), during a meeting with Gareth Evans, the Australian minister of foreign affairs and trade.

According to a MOFERT official, Wu and Evans voiced agreement that China and Australia enjoy good political relations, which provide favorable conditions for the further development of bilateral trade. They expressed a desire to strengthen economic cooperation.

MOFERT statistics show, Australian businessmen had invested in 183 projects in China with contracted investment totaling over 330 million U.S. dollars by the end of 1991. At present, Australia ranks in the top ten countries in terms of investments in China.

Meanwhile, China has contracted to invest over 314 million U.S. dollars in some 60 ventures in Australia.

Since the 1980s Australia has provided both government loans and aid to China, and the loans with a total contracted sum of over 120 million U.S. dollars will be used to fund 24 projects.

#### **'Roundup' Views Australian Economic Situation**

*OW1504033592 Beijing XINHUA in English  
0231 GMT 15 Apr 92*

[("Roundup" by Xu Yuenai: "Australia's Business Sector Remains Pessimistic")]

[Text] Canberra, April 15 (XINHUA)—The first quarter of 1992 calendar year has brought no joy to Australian business with poor trading, low profits, job shedding and firms working only at around 76 percent of their capacity.

The Australian companies made little improvement in business conditions in the march quarter and remain pessimistic about the june quarter, according to the latest surveys by the major national Australian banks.

The surveys supports the joint findings by the Chamber of Commerce in New South Wales and the State Bank, and the findings by the Confederation of Australian Industry and Westpac Banking Corporation.

They showed that manufacturers are gloomy about the economy over the immediate term and offer little hope to the 900,000 Australians unemployed.

Westpac's chief economist Bill Evans said there is little joy for the unemployed "in the next few years" and even if economic activity rises this year, "there is not much to get excited about."

The survey by the Chamber of Commerce and the State Bank said while there are tentative signs of economic recovery, manufacturers in Australia's largest state of New South Wales still want to shed 8,000 jobs in the next 12 months.

The National Australia Bank's survey found that the worst labor shedding in the March quarter was in the mining and construction industries that employ over 200 people.

The employees of all industries, except the finance industry, are expected to be reduced in the june quarter. Nevertheless, the job shedding will be less severe than in the march quarter.

Over the next 12 months, the majority of the retail, wholesale and recreation sectors expect increasing investment. However, investment may decline in the vital construction and mining industries.

For the March quarter, the National Australia Bank estimated that firms were working at 76.1 percent of their capacity, marginally lower than the 76.5 percent of

the previous quarter. Mining was working at the highest capacity of 83.6 percent with the construction sector the lowest at 71.8 percent.

Most firms reported poor profitability in the March quarter and had low expectations about an improvement in the June quarter. For the earliest, most companies can expect an over-all economic pick-up in the first quarter of 1993.

The ruling Labor Party's defeat at the wills by-election last week is a stern reminder for the federal government that unless it boosts the business confidence and prevents unemployment from heading downwards by the next general election due in March 1993, its chances of holding government seems grim.

Prime Minister Paul Keating has hinted another cut of interest rates early next month to further stimulate the economy provided the consumer price index figures due to be released later this month remain low.

Analysts believe that the Australian economy will only bounce out of recession when business rebuilds its stocks and begins to invest. But to Australia's trade and debt problems and fears of a weakening Japanese economy, the business sector remains reluctant to increase investment at least for the year 1992.

### Engineers Leave for Cambodia for UN Operation

#### UN Requests 400-Member Contingent

OW1604144492 Beijing XINHUA Domestic Service in Chinese 1238 GMT 16 Apr 92

[Text] Beijing, 16 Apr (XINHUA) —At the request of the secretary-general of the United Nations, the Chinese Government has decided to send a 400-member military engineering contingent to join in the peacekeeping work of the UN transitional authorities in Cambodia. An advance party of 30 officers and men from the military engineering contingent, led by the commander of the contingent, left Beijing for Phnom Penh by plane on 16 April.

The officers and men in the advance party are in good spirits; they are wearing camouflage uniforms with a blue UN emblem on the right arm and a red patch inscribed with the English word "China" on left arm, and they are wearing blue berets with UN insignia. All the machinery and vehicles are painted white with eye-catching UN emblems to meet the unified requirements of the United Nations.

It has been reported that the rest of the officers and men will arrive in Phnom Penh in the near future. The main task of the military engineering contingent is the maintenance of airports, roads, and bridges in the area of Cambodia's capital Phnom Penh.

It is the first time that China has dispatched troops to join the peacekeeping operations of the United Nations.

This is conducive to peace and development in Cambodia and Southeast Asia. It also fully shows the consistent position and aspirations of the Chinese government in maintaining world peace and supporting a political settlement of the Cambodian issue.

The fully-mechanized military engineering contingent has undergone a series of intensive rapid movement and adaptation training, and completed all the preparatory work in as little as just over one month. Before its departure, Chief of the General Staff General Chi Haotian and all deputy chiefs of the general staff visited the contingent. The officers and men of the contingent unanimously pledged to keep firmly in mind at all times the earnest expectations and trust of the government and the people; to fully display the fine traditions and work style of the Chinese People's Liberation Army in the course of the peacekeeping work; to present the good image of our army as a well-educated outfit; overcome all difficulties; successfully accomplish the peace-keeping task; and to win honor for both the motherland and the army.

#### Advance Army Group Arrives

OW1604151092 Beijing XINHUA in English 1432 GMT 16 Apr 92

[Text] Phnom Penh, April (XINHUA) [dateline as received]—An advance group of Chinese soldiers arrived in Phnom Penh, capital of Cambodia, today to join the United Nations peace-keeping effort.

The 10-member Chinese team was welcomed by officers with the U.N. blue-beret force deployed at U.N. Transitional Authority (UNTAC) headquarters.

China is to send a total of 400 engineers to Cambodia to help implement the Paris peace agreements.

A second Chinese group, consisting of some 20 engineers, is due to arrive in the Cambodian capital on Friday.

The others will head for Phnom Penh later this month.

#### Prince Sihanouk Returns Home Via Beijing

OW1704075392 Beijing XINHUA in English 0711 GMT 17 Apr 92

[Text] Beijing, April 17 (XINHUA)—Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council (SNC) of Cambodia and his wife made a stop-over here today on way home after visiting the Democratic People's Republic of Korea.

Chinese Assistant Foreign Minister Li Zhaoxing greeted Sihanouk at the airport and saw him off there.

Members of the SNC Hun Sen, Khieu Samphan and Norodom Ranarith accompanying Sihanouk on the visit left for home on board of the same plane.

Son Sann, another member of the SNC, left here for home via Bangkok on April 15.

### Near East & South Asia

#### Reportage Views Situation in Afghanistan

##### Velayati Vows To 'Ensure' Peace

*OW1704111992 Beijing XINHUA in English  
1026 GMT 17 Apr 92*

[Text] Tehran [as received], April 17 (XINHUA)—Iranian Foreign Minister 'Ali Akbar Velayati said here this morning that Iran would strive to establish peace in Afghanistan following the step-down of its President Najibullah.

"We keep a close and accurate eye over the situation in Afghanistan," he said, adding Iran will try, with the cooperation of Pakistan, "to ensure that the period of power shifting in Afghanistan be peaceful and bloodless."

Velayati made the remarks on return from a five-day visit to China and the Democratic People's Republic of Korea.

He reiterated Iran's hope that Afghanistan will become an independent, Islamic and non-aligned country.

He warned of the danger of foreign interference, saying this may harm the independence of Afghanistan.

Velayati voiced Iran's support for the efforts exerted by the UN chief and his special envoy for the Afghan affairs to resolve the Afghan problem.

UN Secretary-General Butrus Butrus-Ghali has announced to set up a 15-man interim council to govern the country after Najibullah relinquished power Wednesday.

The Iranian Foreign Ministry issued a statement Thursday urging the Afghan Mujahedin groups to act in unison to save the war-torn country. The Mujahedin groups headquartered in Iran and Pakistan, have been fighting the Najibullah's government over the past 13 years.

Reports reaching here said forces of the Mujahedin groups have entered the capital of Kabul and rumor has it that Najibullah has gone into hiding in a UN office there.

##### Velayati 'Supports' UN Initiative

*LD1604171492 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1630 GMT 16 Apr 92*

[Excerpt] Minister for Foreign Affairs Velayati, at the end of his official visit to China and North Korea, in a news conference this afternoon in Beijing, supported the UN initiative regarding the settlement of the Afghan issue and said:

Iran believes that any solution for Afghanistan must be through peaceful means and based on the wishes of the majority of the Afghan people. We support Afghanistan's independence and territorial integrity. [passage omitted: repeat of Iranian Foreign Ministry's statement on Afghanistan]

##### 'All Facts' Should Join Government

*HK1604131492 Hong Kong AFP in English  
1218 GMT 16 April 92*

[Text] Beijing, April 16 (AFP)—Iran hopes all factions in the 13-year-old Afghan conflict will take part in any future government, visiting Iranian Foreign Minister 'Ali Akbar Velayati said here Thursday.

Velayati, on a two-day visit to Beijing for a meeting of the U.N. Economic and Social Commission for Asia and the Pacific, also indicated he had no knowledge of President Najibullah's departure from Afghanistan.

"We are against any disintegration of Afghanistan. All factions should participate in the future government of Afghanistan for maintaining sovereignty and integrity of Afghanistan," he said.

"The transitional government should succeed," Velayati said, adding "the transition of power should be done very peacefully."

Velayati stressed that Iran, which borders Afghanistan, had had close contact with U.N. special envoy for Afghanistan Benon Sevan for the past two weeks.

"We support the U.N. peace settlement and we strongly believe that the only solution is a peaceful solution," he said.

##### Vice President Said To Take Over

*OW1704102992 Beijing XINHUA in English  
0925 GMT 17 Apr 92*

[Text] Islamabad, April 17 (XINHUA)—Vice-President of Afghan ruling Watan (Motherland) Party Farid Mazdac has taken over power in Kabul as the acting president of Afghanistan, according to a reliable source here today.

Islamabad bureau chief of Afghan Mujahideen's news agency MIDIA Abdul Haleem told XINHUA this afternoon that he just received the news from Kabul, capital of Afghanistan.

Mazdac is one of the four vice-presidents who have taken over power after President Najibullah resigned from all posts in the government and ruling Watan Party on Thursday.

On the whereabouts of Najibullah, Haleem and other Afghan sources here when contacted could not provide any information.

**Najibullah in 'Diplomatic Community'**

*OW1704110092 Beijing XINHUA in English  
1046 GMT 17 Apr 92*

[Text] Islamabad, April 17 (XINHUA)—Afghan President Najibullah who resigned yesterday is now in a diplomatic community in Kabul, a senior UN official in Islamabad confirmed today.

The official requesting anonymity told XINHUA that he contacted his office in Kabul several times today and it is confirmed that Najibullah has not been arrested and he "is in a diplomatic community."

But the official declined to specify the hiding place of Najibullah.

On the situation in Afghanistan, the official described it as "dangerous", saying the UN peace plan for Afghanistan has been "affected negatively" by the latest events there.

He said UN Special Envoy on Afghanistan Benon Sevan, now in Kabul, has been advised to seek the support of prominent resistance leader Ahmad Shah Masood, known as "the Lion of Panjshir", to form a united force with the government in Kabul. He said "this is the best way" to solve the problem at the moment.

He said the government in Kabul after Najibullah now has the cooperation of Abdul Rashid Dostam, commander of militiamen, 20,000 in number in the north.

The Kabul airport is under the control of General Nabi Azemi, who is in charge of Kabul garrison, along with other generals assisting the government now.

He said Benon Sevan is now trying to sort out the structure of power left over there.

The official, while commenting on the role of the government, said the present government in Kabul can sustain the situation.

**Najibullah Whereabouts 'Not Known'**

*OW1604144092 Beijing XINHUA in English  
1418 GMT 16 Apr 92*

[Text] New Delhi, April 16 (XINHUA)—Afghan President Najibullah is not in India and his whereabouts is not known to the Indian government in the wake of the escalation of violence in Afghanistan, a spokesman said here today.

The External Affairs Ministry spokesman told reporters that the members of the Indian mission and Indians residing in Afghanistan were all safe and well.

The government is in constant touch with the Indian Embassy to ascertain the latest developments and the well-being of the Indian community following reports of escalation in fighting there, the spokesman said.

He dismissed it as a hypothetical question when asked whether India would grant asylum to Najibullah.

He also said the government had no confirmation of reports of takeover of Bagaran Airforce Base by Afghan Mujahidin guerrillas.

On Wednesday night, Afghan Ambassador here Ahmed Sarwar denied Western media reports that President Najibullah had gone underground in Kabul and asserted that he was conducting his normal duties.

**'Roundup' Views UN Efforts for Peace in Afghanistan**

*OW1604114992 Beijing XINHUA in English  
0946 GMT 16 Apr 92*

[("Roundup" by Wu Dingbao: "Strenuous Efforts On To Avoid Further Bloodshed in Afghanistan")]

[Text] Islamabad, April 16 (XINHUA)—Amid reports of increasing Mujahidin pressure on Kabul, strenuous efforts are being made to seek the implementation of the UN peace formula for Afghanistan to avoid further bloodshed in that war-torn country.

UN special envoy Benon Sevan, who arrived here Tuesday from Geneva to continue his peace mission, is trying to give final shape to the 15-member pre-transitional council announced by UN chief Butrus Ghali to be set up in Kabul so as to take over power from Afghan President Najibullah.

On Wednesday, Sevan had a meeting with Pakistan Prime Minister Nawaz Sharif to discuss how to reach the resolution of the 13-year long Afghanistan conflict.

With Benon Sevan participating, a delegation of Afghan Mujahidin leaders also had a meeting with Nawaz Sharif Wednesday night to discuss the Afghanistan situation.

Nawaz Sharif appealed to all Mujahidin leaders to make all-out efforts to avoid bloodshed in Afghanistan, particularly in Kabul and impressed upon them the critical nature of the present circumstances, urging them to exercise their authority and statesmanship to ensure smooth and peaceful transfer of power in Kabul, the announcement said.

At the meantime, Afghan Mujahidin leaders had urgent talks among themselves in Peshawar earlier Wednesday to hammer out an agreed list of names for the UN-proposed council whose final shape is still in the melting point, Mujahidin sources here said.

The United Nations plans to set up the council in Kabul before the end of this month to replace Najibullah as the first phase of its formula for a return to peace in Afghanistan to avoid more bloodshed in that country, UN officials said.

However because of different views among Mujahidin groups and some hardline leaders' opposition to the UN formula, a consensus on the formation of the council is yet to be reached.

Crucial parleys on Wednesday between Mujahidin leaders, UN special envoy Benon Sevan and Nawaz Sharif showed the major rivals' rejection to a background of dramatic developments inside Afghanistan.

Mujahidin forces are reported getting closer to Kabul after two important towns and a key air base, not far from Kabul, fell to Mujahidin on Tuesday.

"Things are moving at a faster pace in Afghanistan but we are safely matching the pace and we are even faster than the events," a highly placed source said.

But with the fast-changing situation in Afghanistan, the Kabul Government has appealed to the UN to expedite its efforts for peace and form the proposed council as soon as possible to thwart any Mujahideen attempt to take over Kabul, according to a radio Kabul broadcast.

The radio said some generals in Kabul also appealed to the UN to send peace-keeping forces to Afghanistan to avoid further bloodshed.

Sevan expressed his optimism over peace in Afghanistan while talking to newsmen Wednesday here, saying the UN peace plan is "fully on track" and the recent happenings in Afghanistan will have no effect on it.

Many independent observers in Pakistan also share Sevan's view regarding the recent events in Afghanistan and the prospects for Afghan peace.

#### **Yemeni Foreign Minister Leaves for Beijing**

*OW1604152192 Beijing XINHUA in English  
1457 GMT 16 Apr 92*

[Text] Sanaa, April 16 (XINHUA)—Yemeni Foreign Minister 'Abd-al-Karim al-Iryani left here today for Beijing, China on an official visit.

Speaking to the YEMENI NEWS AGENCY before his departure, al-Iryani praised the close relations between Yemen and China, which he said are "based on mutual respect and sincere cooperation."

He expressed Yemen's appreciation of China's role in the national development of Yemen over the past decades and the belief that his visit to China would strengthen bilateral ties and open up new horizons.

Al-Iryani is flying to Paris en route to Beijing and is expected to arrive in the Chinese capital on April 20.

#### **Bangladesh Ruling Party Hopes To Develop Ties**

*OW1604192192 Beijing XINHUA in English  
1705 GMT 16 Apr 92*

[Text] Dhaka, April 16 (XINHUA)—The ruling Bangladesh Nationalist Party (BNP) hopes to develop relations with the Chinese Communist Party, Secretary General of BNP Abdus Salam Talukder said here today.

Speaking at a meeting between the standing committee members of BNP and the visiting CPC goodwill delegation headed by Jiang Guanghua, deputy head of the liaison department of the CPC's Central Committee, Talukder said that as traditional friendly countries, Bangladesh and China should not only develop their government-to-government relations but also "increase the high-level contacts between the two ruling parties."

Nine members of the standing committee of BNP attended the meeting, including the party's deputy leader in parliament Badrudduza Chowdhury, Foreign Minister Asm Mustafizur Rahman, Agriculture Minister Majedul Haq and Communication Minister Oli Ahmed.

The Bangladesh side expressed the hope that the two friendly countries will further strengthen their cooperations in all fields.

In his speech, Jiang Guanghua stressed that the relation between the two parties was founded by late President Ziaur Rahman and Chinese leader Deng Xiaoping and further developed after the visit to China by Prime Minister Khaleda Zia during which she met with the Secretary General of CPC Jiang Zemin.

He said that CPC is ready to "establish and develop its relations with the ruling parties of all the countries in the world, especially its neighboring countries, on the basis of sovereignty, total equality, mutual respect and non-interference in each other's home affairs." "It is a major part of China's foreign policy," he added.

He shared the view that China and Bangladesh, as neighboring countries with traditional friendly relations, should not only strengthen their government-to-government relations but also strengthen their party-to-party relations "in the new historical conditions."

The CPC delegation arrived here on April 13th for a week-long visit at the invitation of BNP.

#### **Zhu Liang Meets Visiting Moroccan Delegation**

*LD1604214792 Rabat MAP in English 1237 GMT  
16 Apr 92*

[Text] Beijing, Apr 16 (MAP)—Foreign liaison and member of the Chinese Communist Party Central Committee Zhu Liang met here visiting members of the executive committee of the Moroccan National Rally of Independents (RNI/Majority).

According to XINHUA, Mohamed Bentaleb and Haj Ahmed Krafess had friendly talks with the Chinese

official on ways to reinforce cooperation ties between the two parties and the two countries at large.

The RNI members are visiting China since Sunday at the invitation of the Chinese International Exchange Association.

#### 'Roundup' Views Economic Reform in India

OW1704101292 Beijing XINHUA in English  
0848 GMT 17 Apr 92

[("Roundup: Economic Reforms and Secular State To Go On in India (by Zhan Dexiong)"—XINHUA headline]

[Text] New Delhi, April 17 (XINHUA)—Indian party leaders pledged to continue economic reforms and keep India as a secular state when they concluded the 79th plenary session of the Indian National Congress-I last night.

During the three-day meeting, the party leaders asserted that they were determined to follow the Nehruvian line, initiated by India's first prime minister Jawaharlal Nehru, without any deviation and continue Indira Gandhi's war against poverty.

Addressing the plenary session as its newly-elected president last night, P.V. Narasimha Rao said the Indian economy was facing its gravest crisis since independence and in the past 10 months the government has initiated far-reaching fiscal and financial reforms which was done in conformity with the party's election manifesto.

At the same time it was proposed to continue the thrust of the employment, poverty alleviation and welfare programs, he said.

Referring to the misgivings about invasion by foreign capital, he said the limitations of native capital, both quantitative and technological, pointed to the need for opening up the economy to external replenishment. The opening up has its justification on economic grounds.

He pointed out that there was no way for the Indian economy to remain insulated within its confines any longer.

The country had to integrate itself with the world economy. The two-way traffic of capital and manpower technology would have to be opened up. "We have, therefore, to reorient our previous approach to foreign capital," he said, "We are seeking to do so."

Describing public sector as "a symbol of the country's self-reliance," he said the government was not pulling the public sector down but only redefining its role since it has not been performing as well as was expected of it.

While there was no intention of doing away with the public sector as such, but it was agreed on all hands that it needs to be made more efficient and capable, he said.

Reiterating Congress's principle of secularism, he said "our fight in the defense of secularism has been relentless. It will always remain so. Protection to minorities shall always remain an article of faith with us."

India welcomed the effective role of the Security Council in matters of peace and security. But, he said, the actions of the Security Council "must flow from collective will and not from the views or predilections of a few. A general consensus must always prevail."

While moving the resolution on international situation at the session, the party's spokesman V.N. Gadgil said Thursday that the Congress-I is of the view that India and China have to play an important role in the formation of a new world order, he underlined the need for improving the relations between the two countries.

For the first time since independence, the party has its new working committee constituted through election, not through consensus as it was did before.

This is seen here as a landmark in the party's history. The election also shows that Narasimha Rao has established unquestioned leadership in the party.

#### Sub-Saharan Africa

##### Ugandan Party Delegation Visits Yunnan Province

OW1504142392 Beijing XINHUA in English  
1321 GMT 15 Apr 92

[Text] Kunming, April 15 (XINHUA)—Yin Jun, deputy secretary of Yunnan provincial committee of the Chinese Communist Party, met with delegation from Uganda's National Resistance Movement, led by the movement's national political commissar Eriya Kategaya here today.

Yin briefed the visitors on the province's achievements in fostering brotherly ties among various nationalities and training cadres of ethnic minorities.

The guests arrived here this morning from Beijing.

##### 'Roundup' Examines De Klerk's Visit to Nigeria

OW1204210892 Beijing XINHUA in English  
1945 GMT 12 Apr 92

[Roundup by Wang Xin: "De Klerk's Visit to Nigeria Thaws Chilly Relationship"]

[Text] Lagos, April 12 (XINHUA)—South African President F.W. de Klerk's ground-breaking visit to Nigeria, one of Pretoria's impeccable foes, ended on Friday with a thaw in a decades-old chilly relationship between the two countries.

Nigerian President and current Chairman of the Organization of African Unity (OAU) General Ibrahim Babangida and De Klerk joined hands on Thursday to pledge a united commitment to a new Africa.

De Klerk's visit to the most populous nation in Africa, which refused several requests for a visit by De Klerk earlier, came after the March 17 whites-only referendum in South Africa, which gave De Klerk a continued mandate to continue his reforms aimed at turning South Africa into a non-racial democracy.

At a banquet given in De Klerk's honor in Nigeria's new capital Abuja on Thursday, Babangida said Nigeria and South Africa as well as other African countries need to pool their resources to face tremendous challenges facing the continent. He hailed De Klerk as "at last someone in South Africa with whom we can do business."

Babangida described his talks with De Klerk as constructive and forward-looking, while De Klerk said his visit was historic and expressed his confidence that the objectives of the visit would be met.

De Klerk also said that for democracy to be meaningful to African countries, it must be linked with economic growth, prosperity, and stability and security.

They agreed that close regional cooperation was essential for economic growth and prosperity in Africa.

South African Foreign Minister Pik Botha said in Abuja that Nigerians agreed with South Africa's vision of four regional powers—South Africa, Nigeria, Kenya and Egypt—cooperating to haul Africa out of the morass of economic stagnation.

Some Nigerian politicians believe that Nigeria, which has rich manpower and natural resources, and South Africa, which has advanced science and technology and a management and industrial base, can work together to break the pattern of dependence that has been bedeviling Africa.

No bilateral agreements were reached during the visit on economic issues, but analysts believe that economic relations will soon warm up.

Before the visit, the Nigerian Government had given the green light to free trade with South Africa.

During the visit, De Klerk urged Nigerian businessmen to visit South Africa to acquaint themselves with first-hand information on trade opportunities available there.

Despite a thaw in the chilly relationship, full diplomatic ties are still conditional on the establishment of a transitional government in South Africa.

The visit was important to South Africa in that it needed support from African countries like Nigeria in its bid to join the OAU.

On the other hand, Nigeria, which is currently holding the chairmanship of the OAU, will enhance its international profile by helping South Africa to be integrated into the African economic community endorsed at the last OAU summit in Abuja in June last year, according to local analysts.

## East Europe

### Li Peng Meets Bulgarian Vice Premier Vasilev

OW1604121992 Beijing XINHUA in English  
1211 GMT 16 Apr 92

[Text] Beijing, April 16 (XINHUA)—Chinese Premier Li Peng met with visiting Bulgarian Vice-Premier and Minister of Education and Science Nikolay Vasilev and his party here today.

Li expressed appreciation for their signing a memorandum of understanding on scientific cooperation from 1992 to 1994 and an education cooperation agreement respectively with the China National Natural Science Foundation and China's Education Commission.

Li noted that the changes in Bulgaria are its internal affairs and China respects the choice of the Bulgarian people. China is willing to continue its cooperation and exchange with Bulgaria in science, education and other fields, he added.

Vasilev said that although great changes have taken place in Bulgaria, the new government there pays great importance to furthering its relations with China, including scientific and educational cooperation.

He added that his current visit is aimed at expanding Sino-Bulgarian scientific and educational contacts.

Vasilev and his party arrived here on April 10 at the invitation of Song Jian, Chinese state councillor and minister in charge of the State Science Commission. They have also toured Shenzhen and Guangzhou in south China.

## Political & Social

**'Notes' on Deng Xiaoping's Zhuhai Tour, Remarks**  
*HK1704044792 Hong Kong WEN WEI PO in Chinese  
17 Apr 92 p 3*

[Article by Zhu Tao (2612 3447), supplied by ZHUHAI TEQU BAO: "Notes on Deng Xiaoping's Zhuhai Tour"]

[Text]

### I

It was the morning of 23 January 1992, the weather was fine, and the vast waters off the Zhu Jiang estuary were calm and tranquil. Comrade Deng Xiaoping, the chief designer of China's reform and opening up program and the inventor of the idea about special economic zones, boarded a customs speedboat to head for Zhuhai after his inspection in Shenzhen.

Liang Guangda, Zhuhai city party committee secretary and city mayor, and Huang Jing, city party committee deputy secretary, made a special trip to Shenzhen to accompany Comrade Xiaoping to their city. They were all excited when they saw Comrade Xiaoping. Shaking his hand, they said: "We have been longing for your visit for a very long time! Zhuhai people have been longing to greet you here for a very long time!" Smiling, Comrade Xiaoping said: "I myself wish to visit your city, too."

The speedboat sailed speedily on the vast Lingding Yang, leaving a silver belt behind it. As soon as Comrade Xiaoping took a seat in the speedboat cabin, Xie Fei, Guangdong provincial party committee secretary, who accompanied Deng on his tour, unfolded a map of Guangdong Province before him. While Comrade Xiaoping read the map with his glasses, prescribed for presbyopia, Comrades Xie Fei and Liang Guangda began to brief him on the gratifying changes that the reform and opening up policy and the special economic zone program had brought about in Guangdong and Zhuhai.

Comrade Xiaoping last inspected Guangdong and Zhuhai in January 1984. By that time, the nationwide rural reform had been conducted for several years, the urban reform had just been launched, and the special economic zones had just been founded. Nowadays, Guangdong in south China has undergone tremendous changes. Both Shenzhen and Zhuhai, the two special economic zones situated on the two shores of the Zhu Jiang estuary, have been booming. The two small towns on the country's southern coast have suddenly turned into new cities, developing rapidly to keep up with the beat of modern times and attracting the world's attention. Meanwhile, the Zhu Jiang delta is becoming well known both at home and abroad as one of the most dynamic and richest parts of China's economy. Western and northern Guangdong, as well as the province's mountain areas with an underdeveloped economy, have also risen, striving to catch up with others in the great

tide of reform and opening up. An all-directional opening structure has taken shape, expanding progressively from the coast into mountain areas in the inland. And the development pattern where areas which have become wealthy first spur and then help underdeveloped areas boost their economy has become an inevitable trend of in-depth development of reform and opening in Guangdong Province.

In his briefing, Comrade Xie Fei noted: Different parts of Guangdong can be divided into "three worlds" in terms of their economic development standard. The "first world" is the Zhu Jiang delta where the economy has been growing rather quickly. The "second world" consists of the plains in eastern and western Guangdong with a moderately developed economy. The "third world" stands for the vast mountain areas. Guangdong Province is trying to narrow the economic gap between impoverished and rich areas and is striving to catch up with moderately developed countries and areas in the world by the early next century. Comrade Xiaoping endorsed the idea and said: "That's great."

Having heard the briefings by Comrades Xie Fei and Liang Guangda, Comrade Xiaoping recalled the rural reform featuring the contract responsibility system on a household basis and the founding of the special economic zones. He reiterated the necessity of expediting the pace and seizing the opportunity to boldly make attempts and blaze new trails. He reminded people to guard against rightism, but noted that the main task is to prevent "leftism." Keep a cool head and we will make no blunders; by doing so, mistakes, if any, can be easily corrected, he said. Comrade Xiaoping's remarks on board showed his swift and clear thinking. He profoundly expounded on the way to uphold the party's basic line and the principles and policies adopted since the Third Plenary Session of the 11th CPC Central Committee.

As the speedboat was approaching Jiuzhou Port, Zhuhai City, Comrade Xiaoping stood up and, looking at the wide expanse of the Lingding Yang, said: We have relied on practice and seeking truth from facts, not on books, to achieve the success of reform and opening up. The inventor's patent right of the contract responsibility system on a household basis with remuneration linked to output, which is now being practiced in rural areas, belongs to peasants. Many good things which emerged during rural reform were invented by units at the grass-roots level. We should process and refine these good things and have them established as a guidance for the entire country. Only practice can be the criterion of truth. I do believe in seeking truth from facts, which was advocated by Chairman Mao. We relied on this during wartime in the past, and we still rely on this in our present efforts to carry out construction and reform. We have talked about Marxism for our whole life; yet, as a matter of fact, Marxism is not mysterious. Marxism contains very simple and plain truth.

During the speedboat trip, Comrade Deng Xiaoping talked unceasingly with provincial and city leaders for over one hour. After the speedboat reached the shore, he shook hands with all the staff on board and had a group photo taken to mark the occasion. Then, in the company of Xie Fei, Liang Guangda, and other comrades, he set foot on the land of Zhuhai, from where he had been absent for eight years, and shook hands with Guangdong Governor Zhu Senlin and Vice Governor Ling Botang, as well as Zhuhai City leaders including Comrades He Zhongyun, Lu Yanxiong, Mai Gengan, Li Huanchi, Guan Yujia, and Lei Yulan, who had come to greet him....

## II

On the early morning of 24 January, the cadres, workers, and staff members of Biochemical Pharmaceutical Factory of the Zhuhai Special Economic Zone came to the factory very early to wait for a long-anticipated moment.

At 0940, a motorcade was rapidly heading toward the factory and stopped at the factory's main entrance. Accompanied by Guangdong provincial leaders Xie Fei, Zhu Senlin, and Ling Botang, as well as Zhuhai City leaders Liang Guangda and others, Comrade Xiaoping alighted from a medium-sized bus, waving at the crowd amid a burst of warm applause.

The factory's chief engineer, Chi Binyuan, quickly stepped forward and clasped hands tightly with Comrade Deng Xiaoping. He said: "All the workers and staff members of our factory are looking forward to your visit! It is the happiness of all the workers and staff members of our factory. You are the chief designer of China's reform and opening up, and it is because of your guidance that we can lead a happy life today." Hearing this, Comrade Xiaoping smiled and waved his hand: "You flatter me." Then, Comrade Xiaoping listened to Comrade Chi Binyuan's report, and made a number of inquiries about the factory's product "Thrombin."

"Thrombin," which was developed and produced by Biochemical Pharmaceutical Factory, is a specific hemostatic. During a short period of no more than two years, by relying on first-class technological exploration, the factory has developed first-class products and created first-class economic returns. Last year, this factory, with a staff of only 80 people, attained an output value of over 80 million yuan, while the per capita profit and tax reached 120,000 yuan. When he heard that "Thrombin" had successfully entered international markets, Comrade Xiaoping expressed his appreciation: We ought to have our own first products and create China's own famous brands; otherwise, we will be bullied by others. This requires that our scientific workers put in their efforts; only by relying on their efforts can we extricate ourselves from the situation of being bullied by others.

Smiling, Comrade Xiaoping then walked slowly into the production workshop of the factory. At the entrance of the workshop, he warmly waved his hand through a glass window to scientific and technical personnel who were

standing up and clapping their hands. He said to the accompanying provincial and city leaders and persons in charge of the factory: "In the field of science and technology, China should have a role to play. The development of your factory plays part of this role. China should have new things every year, every day. Only by doing this can China take a position. Despite my old age, I feel that things are promising, very promising. There has been very rapid progress over the past decade. However, there will be quicker progress in the future than in the past decade. All trades, professions, and industries across the country should make a concerted effort and concentrate their energies to fight a war of annihilation [jian mie zhan 3005 3319 2069]. We used to employ this method in our previous battles."

At a turning point of the stairway, Comrade Xiaoping saw a plaque with the slogan "Seek Not Undeserved Reputation, But Only Do Solid Work." He stopped there and read in it a soft voice, and then said admiringly: "Exactly; we need to do solid work."

As Comrade Xiaoping stepped out of the factory gate, more staff and workers, who were in high spirits, turned up here and there. Standing on a stairway, he said to Chi Binyuan: "I am not familiar with your work, but I must thank you all. Please convey my gratitude and greetings to all the staff and workers."

Shouts of applause encompassed Comrade Xiaoping. Several women workers were so excited that they shed tears, and they waved their greetings to this kind old man. Comrade Xiaoping was already walking toward a minibus, whose engine was running. Suddenly, he stopped walking ahead and cordially admonished everyone: "I hope you all will treasure the glory."

## III

At 0935 on 25 January, Comrade Deng Xiaoping came to visit the Asia Emulating Control Systems Engineering Company Limited, a high-technology enterprise in Zhuhai City.

As he got out of the car, he saw many young scientific and technical workers standing at the gate of the company. He waved his hand in very high spirits and said: "I congratulate you, congratulate you on your youth."

He then walked into the reception hall of the company and sat down at a table. The factory manager, You Jingyu, carefully told Comrade Xiaoping things about the factory's scientific research, production, and technical personnel. As Comrade You Jingyu said that the company used a strategy integrating science and technology, production, and profit, Comrade Xiaoping asked: "Do you think that the argument that science and technology are the first productive force is tenable?" Comrade You Jingyu answered: "I think it is tenable because we answer this question with practice. Practice at the present time and in the future will answer it." After hearing him say that, Comrade Xiaoping told everyone: "It is you who will answer this question. I

believe the argument is correct." Suddenly, resounding applause burst out in the reception hall.

Then, Comrade Xiaoping kindly asked You Jingyu: "Did you study in the United States?" Comrade You Jingyu said: I received training in the United States and was responsible for introducing the simulation technology. Some of us here have also studied in the United States. They work for more than 10 hours every day and are determined to develop the motherland's high technology industry.

Comrade Xiaoping pondered for a short moment, and said affectionately: You have taken the lead, and I hope all those who have gone studying abroad can return. Whatever their political attitudes in the past, they can return, and when they come home, we will make proper arrangements. At least the country trusts them. Tell them that if they want to make contributions, it is better to return to the country.

Afterward, Comrade Xiaoping enthusiastically visited the company's computer room. He saw the models of two coal-driven power plants—one has a capacity of 330 megawatts and another 200 megawatts—being tested and adjusted. These were high-tech products which attained the advanced standard of the 1990's, and were permeated with the sweat of all the scientific and technological personnel of the company over the past year.

During the visit, Comrade You Jingyu said: "In the first year of production, our company's per capita output value was more than 200,000 yuan." Comrade Xiaoping immediately said: What is more important is standard. In the past one or two decades, science and technology developed very rapidly in the world! A single breakthrough in the high-tech domain can stimulate the development of a number of industries. We must promote science, and there is hope if we rely on science. In the past 10 years or so, our country made great progress in science and technology, and I hope that we can have greater progress in the 1990's. Comrade You Jingyu told Comrade Xiaoping that 85 percent of the 105 persons in his company have doctoral or masters degrees, or are senior and middle-level scientific and technological personnel. After hearing this, Comrade Xiaoping looked at the advanced facilities and the good working conditions in the computer room, and said with deep feelings to the scientific and technological personnel: Your conditions are much better than in the 1950's. We must all remember those years, when the old scientists such as Qian Xuesen, Li Siguang, and Qian Sanqiang developed the "two bombs and one satellite" and many high-tech projects under such difficult conditions. We should say that today's scientists are more fortunate, and therefore we have more and higher demands for you.

Comrade Xiaoping walked in the computer room and looked at everything, and his face showed his joy. He stopped by a computer and talked to a young operator who was a graduate from Fudan University. Comrade Xiaoping shook hands with the young man, and said

happily: I must shake hands with a young man, for the hope of science and technology rests with young people. Of course, old scientists are very important. When we pursue science and technology, the higher, the better, and the newer, the better. When it is higher and newer, we are happier. Not only are we happy; the people are happy, and the country is happy. Comrade Xiaoping then said earnestly and sincerely to everyone: You must love your country! China must develop itself, for China has been poor for several thousand years, and now is the time to change this situation. Various trades in the whole country must work hard together to prove that we can do many things. After walking out of the computer room, Comrade Xiaoping kept saying happily: "Good things, good things indeed." He then said: The good point of our socialism is we can mobilize manpower, plan centrally, and gather talents to fight a war of annihilation [jian mie zhan 3005 3319 2069].

When Comrade Xiaoping returned to the main room, he found several rows of scientific and technological personnel waiting to have a picture taken with him. He walked forward cordially, and shook hands with each of them—the process lasted for several minutes. At that moment, some comrades said it was almost time, and only a few of the young men standing in the rear row had not shaken hands with him. Hearing this, Comrade Xiaoping insisted on going to the rear row to shake hands with the young men.

"Click, click, click...." the unforgettable scene was snapped. After the group photo was taken, Comrade Deng Xiaoping considerably asked people around him: "Has everybody had his picture taken?" At that moment, everyone expressed a heartfelt good wish: "We wish you good health, Comrade Xiaoping." Warm cheers resounded in the hall. Comrade Xiaoping unceasingly waved his hands to the audience, and repeatedly said: "Thank you all, thank you all."

The staff and workers of Asia Emulating Control System Engineering Company Limited gazed affectionately at Comrade Xiaoping walking toward the coach. While walking, Comrade Xiaoping asked Comrade You Jingyu: "How old are you?" You said: "Forty-one." Hearing the answer, Comrade Xiaoping smiled and said: "Good, you are in your prime." When bidding farewell, Comrade You Jingyu held Comrade Xiaoping's hand and told him: We hope you will revisit our plant soon. We will never let you down but will go into action and try our best to promote high, new technology in this country. Comrade Xiaoping replied with deep feeling: "This is our common aspiration."

Sitting in the bus after leaving Asia Emulating Control System Company, Comrade Xiaoping continued to talk glowingly. He said: I am really excited. I am delighted to see a young staff like this. Many years ago, when Qian Xuesen started developing missiles, we gave him 100 secondary or senior secondary school graduates, and a technical team grew up under his training. Now in this company they have some 100 scientific and technical

personnel with tertiary or even higher educational background, which is far higher than the team under Qian at that time. Zhuhai alone has accommodated so many hi-tech personnel, so undoubtedly there must be many more qualified personnel around the country.

In response, Comrade Liang Guangda said: "You have always attached great importance to scientific and technological personnel. To keep in line with your instruction, we are planning to hold a conference on scientific and technological progress this March to commend those scientists and technologists who have made outstanding contributions. We will give them big awards, say, cars, houses, or cash." Comrade Xiaoping nodded and said: I have seen so many young scientists and technologists today. They are all full of promise. Chinese scientists staying abroad are all missing the motherland very much. That is very good. So we should try to attract them back home. Comrade Liang Guangda then told Comrade Xiaoping: Last year, many scientists and technologists abroad applied for working here in Zhuhai. Comrade Xie Fei added: We in Guangdong Province have already formulated a policy to let returning students work here and to let them leave as they like. Comrade Xiaoping said: That is very good! We must be more courageous in this regard. Are we not on reform and opening up? Now that we claim we are opening up the country to the outside world, then we should let people enjoy more freedom in entering and leaving the country. In fact, the vast majority of those who return can apply what they have learned abroad to their work in China. As long as appropriate arrangements are made, the vast majority of returned students will not leave the country again.

#### IV

On the morning of 27 January, Comrade Xiaoping, together with Comrades Yang Shangkun and Ye Xuaping, arrived at Jianghai Electronics Company Limited, a joint venture run by Zhuhai and non-local partners from another part of the country.

The deputy general manager of the company, Ding Qinyuan, who had been so excited that he had stayed up all the previous night, came back to the plant very early that morning. On his way to the plant, he was still thinking about how to brief Comrade Xiaoping on the development process of his company over the past seven years. When he left his home, he did not forget to bring along with him the finest Longjing tea he had kept at home, as he was planning to treat Comrade Xiaoping to his tea collection.

At 1015, Comrade Xiaoping came to the Jianghai Company. After alighting from his car, Comrade Xiaoping first shook hands with President Yang Shangkun, CPPCC [Chinese People's Political Consultative Conference] Vice Chairman Ye Xuaping, and Guangdong CPC Committee Deputy Secretary Guo Rongchang, who had arrived at the scene ahead of him.

Inside the Workers' Club of the company, Comrades Deng Xiaoping, Yang Shangkun, Ye Xuaping, and

others first listened to Comrade Ding Qinyuan's work report. In July 1984, the Jianghai Company started its own business in an old warehouse and a stone house. Within a period of less than eight years, the Jianghai Company has not only recouped all its investment amounting to over 5 million yuan, but also submitted to the state over 20 million yuan of profits and tax, and accumulated wealth amounting to another 20 million yuan or more. At present, 99 percent of their production equipment and facilities are homemade, while 88 percent of recorder slugs developed and produced by the company are exported to overseas markets. In 1991 alone, the company earned \$26 million in foreign exchange for the state. Under difficult circumstances and with an enterprise spirit of consciousness, self-reliance, and making unremitting efforts to improve itself, the Jianghai Company has trained and fostered a contingent of workers and staff members who are really up to the mark.

After hearing the report, Comrade Deng Xiaoping was very happy and took the lead in applauding. He said to Comrade Ding Qinyuan: Your report is very good, especially the part on your efforts to refrain from being content with the present situation. We should bring about new changes day after day, month after month, and year after year. Only in such a way can we develop and enhance our competitive capability. What you have done has given expression to high-degree patriotism, and I thank you and all of your workers and staff members for your contributions to socialism.

Comrade Ding Qinyuan said: We have carried out our work in accordance with your guidance on building socialism with Chinese characteristics. Comrade Xiaoping continued: People are discussing the issue of being surnamed "socialism" or "capitalism," are they not? You are a company which is surnamed "socialism." Then, he turned and said to Comrade Liang Guangda: Your place is certainly surnamed "socialism," and a very good socialism!

Then, full of zest, Comrade Xiaoping visited the company's general assembly shop of slugs. During his visit to the workshop, he asked Comrade Ding Qinyuan: "How old are you this year?" Ding Qinyuan answered: "I have already turned 60." Comrade Xiaoping said humorously: "You are still very young." His remark set everyone at the scene laughing heartily.

After that, Comrade Xiaoping told Ding Qinyuan: "I came to Zhuhai in 1984." Comrade Ding Qinyuan said: "We had not set up the Jianghai Company at that time. However, during that period, we were greatly encouraged by your inscription 'Zhuhai Special Economic Zone Is Good.' We started our business half a year after your inspection tour."

Some staff members of the Jianghai Company who had long waited in the factory area finally had the happy moment that they could never forget. Comrade Deng Xiaoping walked toward the crowd while saying to

Comrade Ding Qinyuan, who was walking beside him: "There are so many young people. I am very happy to be among young people." He said to the staff members with a strong but cordial Sichuan accent: "Let us shake hands, shake hands." He shook hands with every staff member on the scene and said to them: "Thank you all." Some of the staff members were moved to tears on the spot, especially those "common wage earners" who had never dreamed that they could ever have a chance to shake hands with this great man.

On his way back to where he was staying, Comrade Xiaoping told Comrade Liang Guangda: "The general direction of the factory is correct and so is the method. I can see that they have developed under difficult conditions. You have done correctly in discovering talented people. It is necessary to continually bring up talented people. We must do this all the year round, and only by doing this can we create technology and can our undertakings prosper."

V

In the Zhuhai SEZ, Gongbei is the first to be developed. The Fangyuan Building is one of the highest there. It is very near Macao. When one is in the rotating restaurant at the top of this building, one has a good view of the new SEZ and Macao, which has been developing for over 400 years. On the morning of 25 January, after visiting the Asia Emulating Control Systems Engineering Company Limited, Comrade Deng Xiaoping arrived here by car. He then went up an escalator to the 29th floor to the rotating restaurant.

While viewing Gongbei's new look and Macao's scenery, Comrade Xiaoping zestfully listened to Comrades Xie Fei's and Liang Guangda's reports. They also chatted warmly. Comrade Xie Fei said: "Your 'one country, two systems' idea will come true soon. Guangdong is on the first front, and we are using our practice to prove the socialist system's superiority, but this requires some time. Guangdong is the precursor in reform and opening up. The development over the past 10 years or more have changed this place greatly. We will unwaveringly continue on the road of reform and opening up."

After pondering for a while, Comrade Xiaoping said: "We have really done quite a few things in the past decade. The fact that our country is developing so rapidly pleases the people and draws world attention. This has amply proved the correctness of the line, principles, and policies laid down since the Third Plenary Session. Nobody can change this whatsoever. Whoever opposes reform and opening up will step down. In short, there is one thing: Uphold this line and principle without change. Those who are opposed to it had better go to sleep. Since reform and opening up, we have formulated many laws and regulations. Moreover, they embrace all aspects. There are clear principles and policies for all aspects including economy, politics, science and technology, culture, military affairs, and diplomacy. Furthermore, they use accurate wording. The Eighth

Plenary Session of the 13th CPC Central Committee was a great success. It confirmed that the contract responsibility system on a household basis with remuneration linked to output in rural areas will remain unchanged. If the system changed, people would be restless and would say that the central policies have changed. We must ensure the long-term stability of the basic policies for urban and rural reforms. Of course, in the course of practice, what should be improved should be improved, and what should be revised or supplemented should be revised or supplemented. However, we must keep the overall policies unchanged. It is okay if we do not have new ideas; if so, we should leave the policies unchanged. We must never cause people to feel that the policies have changed. In so doing, China will be greatly promising.

Speaking of the historical changes reform and opening up have brought to this border city, which was once only a fishing town, Comrade Liang Guangda reported to Deng, saying: Before reform and opening up, many Zhuhai people left for Hong Kong and Macao. Since Zhuhai became a SEZ, people have begun to gradually lead a well-off life and their living standards have been improving daily. Many Zhuhai people who left have now returned. Comrade Xiaoping said: "This is good."

Thirty minutes elapsed, and the revolving restaurant turned to face Macao. Comrade Xiaoping was not a bit tired; he looked at the distant sea, and used the viewpoint of historical materialism to explain the development process of human history. From Comrade Xiaoping's profound gaze and explanation, people once again truly recognized the irresistible law of development of society and enhanced faith in the bright future of scientific socialism and the truth of Marxism.

It was 1135 when Comrade Xiaoping entered the elevator to go down. Comrade Deng Rong said to him: "Many people are waiting down there to see you!" Comrade Xiaoping said happily: "Good, I will see them." When he walked out of Fangyuan Building and emerged in front of them, the masses cheered and jumped. There were several thousand people who came after hearing the news; among them most were Zhuhai residents and "ordinary working boys" and "ordinary working girls" working in the special economic zone, tourists, and many Hong Kong and Macao compatriots who had come from Macao to Gongbei to shop. Although they did not know each other, they voluntarily maintained order, and involuntarily squeezed forward, in order to look at the great man. Comrade Xiaoping walked toward the crowd and smiled. Immediately, the applause was as loud as thunder. Many people shouted in Mandarin: "Comrade Xiaoping, how are you?" "Grandpa Deng, how are you?" A man, standing far behind, and about 40 years old, jumped and shouted emotionally in Cantonese: "Uncle Deng, how are you?"

Comrade Xiaoping raised his right hand, waved to the masses in each direction, and nodded his head. He was able to see them, the people of the special zone who had used their hands to put bricks and tiles in place in this

once barren beach, their sentiments, and their confidence in carrying on the reform and opening up. Applause and shouting never ceased....

With their own practice, Zhuhai people proved that the line, principles, policies, and a series of decisions advocated by Comrade Xiaoping since the Third Plenary Session of the 13th CPC Central Committee, are correct, and are truly supported by the people. Today, everything the people have is closely linked to the reform and opening up. Naturally, there is deep affection between the people and Comrade Xiaoping.

## VI

During the days when Comrade Xiaoping was in Zhuhai, he traveled to almost every concern of the special zone. He thrice took a car to inspect Zhuhai's urban infrastructure, and he also looked at the cities of Gongbei, Jidai, Xiangzhou, and Tangjia.

He kept inspecting, listening, and thinking. He inspected the changes in the special zone, listened to the aspirations of the people, and thought about the future of socialist China.

On the morning of 24 January, after visiting a factory, Comrade Xiaoping took a car to tour Jidai, Xiangzhou, and Tangjia. On the road, Comrade Xiaoping carefully looked at the beautiful scenery of this new seaside city, and reflected on the scene he had seen in January 1984 during his trip to Zhuhai. When the car passed through the broad Jiuzhou Avenue, Comrade Xiaoping pointed to a place and said: "I remember there was a small bridge here in the past and a small road, and now it has gone and changed."

The motorcade went forward along the wide streets in the urban area. Outside the window, row upon row of new buildings were passing by. When the car reached a point near the Zhuhai Theater, Comrade Xiaoping pointed at the building outside again and said: "When I came here in 1984, there was only a big house there. But now there are so many new buildings. What a great change!" While visiting the city, Comrade Liang Guangda reported to Comrade Xiaoping on the city's strict urban planning, construction, and management. When hearing that the Zhuhai City government had placed strict restrictions on the height of the buildings in order to maintain the natural mountain and sea views there, Comrade Xiaoping nodded approval and said: "It is really nice to do so. You have your own characteristics."

Comrade Liang Guangda then reported: Zhuhai's investment environment has already attracted many foreign businessmen and firms. In 1991 alone, more than 500 contracts on foreign investment were signed. Comrade Xiaoping said humorously: "If I were a foreign businessman, I would also come to invest here." Laughter broke out in the car after these remarks.

When Comrade Liang Guangda said that Zhuhai's gross industrial output value reached more than 10 billion yuan last year, Comrade Xiaoping nodded with satisfaction and said: "Your development speed is really very fast." Then Comrade Liang Guangda said: We have been following the road of reform and opening up under your guidance and we are determined to resolutely implement your policy decision through to the end.

Comrade Xiaoping smiled: "There is still one good point of my policy decision, that is, it never wavers."

On the morning of 25 January, Comrade Xiaoping left Fangyuan Building and went to the Zhuhai Holiday Resort by car. On the way, he saw many beautiful houses of the local residents, peasants, and fishermen and asked: "What is the income of Guangdong peasants?" Comrade Xie Fei replied: "Last year, the per capita income of the province was more than 1,100 yuan." Comrade Xiaoping then said: I think it is not exactly that. If the income was that low, they could not have built such good houses and bought so many good things. The calculation method was inaccurate. Many things were not counted.

When the car was traveling along Jingshan Road, many factory buildings were flashing past outside the window. Comrade Xiaoping said cheerfully: In general, the foundation is different now. How would it have been possible for us to have so many factories 10 years ago? Then, we only had several medium-level factories. Now, the equipment of the large and medium factories is very good. In the past, when we were making the "two bombs," our equipment was very simple and backward compared with theirs. Things are much different now!

From here, Comrade Xiaoping again discussed the question of economic growth speed. He said: The economy developed quite rapidly from 1984 to 1988. In those five years, first the rural reform brought about many new changes, with considerable increases in the output of farm crops, a great increase in the peasants' income, and the rapid rise of township and town enterprises. The peasants not only built a large number of new houses, but the "four major items," that is bicycles, sewing machines, radio sets, and watches, and some high-grade consumer goods entered the ordinary peasant households. Those few years were very lively and a convincing process of development. We can say that our country's wealth increased enormously in that period, and the national economy as a whole scaled a new height. He added: We started economic improvement and rectification in 1989. I agreed with it because it was indeed necessary. The "overheated" economy indeed brought about some problems. For example, too many banknotes were issued, commodity prices fluctuated too excessively, and duplicate construction was fairly serious, resulting in some waste. But, how should we comprehensively approach the five years of accelerated development? That period can also be regarded as a leap, but it differs from the "Great Leap Forward" in that it did not jeopardize the organism and mechanism of overall development. My own evaluation is that the five years of

accelerated development made a lot of contributions. The three years of economic improvement and rectification had some achievements, but, in assessing contributions, its main contribution could only be regarded as stability. Should the five years of accelerated development be regarded as a contribution or at least as a contribution in one aspect? Had it not been for the leap in those few years, which enabled the economy as a whole to scale a new height, it would have been impossible for the ensuing three years of economic improvement and rectification to run smoothly. In our development, it seems we should seize an opportune moment in a certain stage to accelerate development for a few years and, when problems are identified, promptly straighten them out and then continue advancing.

In January 1992, the seven most valuable and unforgettable days have been recorded in the development history of the construction of the Zhuhai Special Economic Zone.

On the morning of 29 January, accompanied by Comrades Xie Fei, Zhu Senlin, Guo Rongchang, and other Guangdong provincial leaders, Comrade Xiaoping, clad in a Chinese tunic suit, and State President Yang Shangkun received members of Zhuhai City's five leading bodies, and the leaders of the Foshan and Zhongshan City CPC Committees who had made a special trip to Zhuhai to see Comrade Xiaoping. He cordially shook hands with and bid them farewell. He also had a group photo taken with them as well as all working personnel.

At 1440 that day, Comrade Deng Xiaoping left Zhuhai by car and headed for Shunde County for an inspection tour.

#### Zhuhai Leaders 'Withholding' Account

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[By Kent Chen]

[Text] Zhuhai authorities are withholding a detailed account of senior leader Mr Deng Xiaoping's seven-day visit to the special economic zone almost three months after the patriarch's highly-publicised tour.

Sources in Zhuhai said the 9,000-word article—a copy of which has been obtained by the SOUTH CHINA MORNING POST—was still awaiting final approval for its publication yesterday.

Analysts believed the long delay was because the account contained several remarks made by Mr Deng which could be regarded as too sensitive by conservative members although part of them have been included in internal circulars for senior party officials.

Another report on Mr Deng's tour to Shenzhen was carried by the SHENZHEN SPECIAL ZONE DAILY [SHENZHEN TEQU BAO] last month and was subsequently reprinted by the national media, including the PEOPLE'S DAILY [RENMIN RIBAO].

Zhuhai mayor Mr Liang Guangda hinted earlier that Zhuhai might follow in the footsteps of Shenzhen and publish a full account of the patriarch's activities there.

According to the Zhuhai's account, Mr Deng reportedly said: "Anyone who opposes reform and the open door policy has to step down. The line of reform and opening up will be upheld without change."

The report also contained another sensitive passage in which Mr Deng affirmed the five-year economic development started under ousted party chief Mr Zhao Ziyang but did not speak highly of the three-year retrenchment programme carried out by Prime Minister Mr Li Peng.

Recalling the period of accelerated economic development in the early and mid-1980s, Mr Deng described it as "very lively".

"During this period, the wealth of our country witnessed a big increase, bringing our economic development to a new stage," the Zhuhai report quoted Mr Deng as saying.

Commenting on the three-year retrenchment programme, Mr Deng said it was necessary because the economy was overheated.

"But can we look at the five years of accelerated development more comprehensively. That period can be regarded as a leap, but it is not the same as the 'Great Leap Forward' because it did not jeopardise the overall mechanism for development," he said in a reference to a campaign started by former Chairman Mao Zedong in the late 1950s.

"My own evaluation is that the five years of accelerated development made a lot of contributions. As far as three years of retrenchment is concerned, although it had some achievements, its main contribution was stability."

#### Shanghai Paper Proposes 'Capitalist Free Market'

HK1704030192 Hong Kong THE STANDARD in English 17 Apr 92 p A-5

[By Cary Huang]

[Text] The liberal Shanghai-based LIBERATION DAILY [JIEFANG RIBAO] has proposed creating a capitalist free market—the boldest call made so far in the latest reform drive.

The DAILY—the mouthpiece of party's municipal committee of Shanghai—ran a commentary earlier this week saying that China's economic reform should go along the path of a free market.

Shanghai was the base from which paramount leader Deng Xiaoping launched his latest reform campaign.

Sources in Shanghai yesterday said the article was arranged by the party municipal committee's propaganda department, headed by liberal party propagandist Liu Ji.

Mr Liu has been well known for his penname Huangfu Ping, who wrote a series of reformist commentaries in the DAILY last year to reflect Mr Deng's directives.

Shanghai sources said the article, bylined "Fang Jiwen", was written to reflect the party committee's views.

"Now we must proceed towards the market and stress the importance of nurturing a market system in our reform efforts," the article said.

Chinese economists said the article was the first in three years since June 1989 to openly call for an all-out free market.

"Socialist nations must have a market," the article said.

"That is not an expectation by people but an objective demand for socialist nations to develop the economy."

The article said only the market mechanism would effectively mobilise the creativity and initiative of enterprises directly involved in economic activity.

"We should not only work to nurture the markets for capital goods and consumer goods, we must also spend our best efforts in nurturing and forming markets for property labour, finance and securities and others," it said.

#### **Article on CPC Controversy Over 'Leftism'**

*HK1704091492 Hong Kong HSIN PAO  
in Chinese 14 Apr 92 p 6*

[Article by Jen Hui-wen (0117 1979 2429): "Political Bureau Argues Over 'Preventing Leftism'"]

[Text] The latest hot spot in the Chinese mainland's political situation for overseas media is State Council Premier Li Peng's status.

The story started with Deng Xiaoping's talks on his southern China tour and the bulletin of the CPC Central Committee Political Bureau meeting held in March, both of which stressed the need to guard against rightist tendencies in implementing the basic line of "one center, two basic points" but focus on preventing "leftism." However, the "Government Work Report" that Li Peng delivered to the Fifth Session of the Seventh National People's Congress [NPC] on behalf of the State Council made no mention of this. Under the criticism and request of the NPC deputies and the Chinese People's Political Consultative Conference members, over 150 amendments were finally made to the "Report" and the following statement was specially added: "The key to speeding up the reform and opening up lies in further upgrading the conscientiousness of cadres at various levels in carrying out the party's basic line. Though we should guard against rightist tendencies, we should mainly prevent 'leftism'." Some China watchers around the world maintain that the relapses in Li Peng's "Report" on the question of preventing "leftism" betrays his antagonism toward Deng Xiaoping's line,

which has undermined his authority and leads to the speculation that his status as premier is in imminent danger.

#### **Li Peng Dares Not Defy Deng Xiaoping's Instructions**

Some people in Beijing's political circles consider this speculation too farfetched, because under the system whereby the party exercises leadership in everything, the "Government Work Report" must have been a product of high-level leading collective discussion and it is impossible for Li Peng to decide on his own or put his own ideas in. This is one of the common sense principles in observing China's political situation. This point can be proved by the creation of the "Government Work Report," as disclosed by informed sources in Beijing. According to informed sources, Li Peng's "Government Work Report" went through four major revisions and was finalized after four discussions by the CPC Central Committee Political Bureau. The last discussion took place at the 9-10 March Political Bureau plenum.

The "Report's" drafting started in early December last year and was shared by four teams, led by Luo Gan of the State Council General Office, Yuan Mu of the Policy Research Office [title as published], the State Planning Commission, and the State Commission for Restructuring Economy.

By mid-February this year, the drafting process entered the fourth revision. That was when Deng Xiaoping made his statements during his southern China tour. Therefore, CPC General Secretary Jiang Zemin specially pointed out at the regular meeting (twice a week) of the CPC Central Committee Political Bureau: The "Report" should embody Deng Xiaoping's basic thinking and the CPC basic line should highlight economic construction as the central task of the whole party and the whole nation.

This regular meeting decided to let Vice Premiers Zhu Rongji and Zou Jiahua and Economic Restructuring Commission Minister Chen Jinhua participate in the "Report's" fourth revision.

#### **Yao Yilin and Song Ping Have Reservations About Preventing "Leftism"**

The "Report's" fourth revision originally carried the following statement: "The central and local cadres at all levels must further free their minds and break through various ideological trammels that impede the assimilation of new ideas, new experiences, new policies, and new things. We should guard against rightist as well as leftist tendencies. The main task at present is to prevent 'leftism,' the interference of 'leftist' ideology, and the influence of book worship." Because controversy arose over the proposal that efforts be made to predominantly prevent "leftism" at the 9-10 March Political Bureau meeting and the participants failed to reach a common understanding, the above statement was deleted from the "Report." Therefore, the "Government Work

"Report" that Li Peng submitted to the Fifth Session of the Seventh NPC did not mention preventing "leftism."

What was the actual controversy that happened at the March Political Bureau meeting? As disclosed by informed sources, Yao Yilin, Political Bureau Standing Committee member and State Council vice premier, stated at the meeting that according to his interpretation, Deng Xiaoping's remark on preventing "leftism" refers to economic development and the formulation of principles, policies, plans, and targets. He maintained that the "leftist" tendencies have no clear expression in any particular field. What does merit attention is the need to make a balance between efficiency and speed in the course of economic development. This is the most outstanding contradiction in economic construction in the past 10 years. Some people did not carefully draw a lesson from the past experience and repeated past mistakes. Yao Yilin said: Failure to understand Deng Xiaoping's instruction in an overall way and stating that the major task at present is to prevent "leftism" may give rise to a strong upsurge wherein some departments and localities will step beyond the economic law.

At the meeting, Song Ping, Political Bureau Standing Committee member, said: At present, it is necessary to guard against two tendencies. One is the undue pursuit of the economic growth rate. Economic construction depends on a scientific spirit and a pragmatic work style. It is true that we should seek high speed, but speed must base itself on economic efficiency. We should also take full account of the national strength's bearing capacity. In this respect, we have experienced heavy setbacks since New China's founding. Even in the past decade, we went through the loss of control over economic growth in 1985 and 1986, which negatively affected the entire national economy's development. That was rightism under the guise of leftism and was in violation of the law governing the development of production as expounded by Marx. The other tendency that we should guard against is the domination in organizational building and ideology by the 30-year "leftism" and ultra-leftism which caused unprecedented waste of resources due to internal friction.

#### Jiang Zemin Unable To Control Overall Situation

However, in the past seven or eight years, rightist tendencies have gotten the upper hand. We have tended to overlook the damage and impact caused by rightist ideas under certain conditions and political climates. We failed to conscientiously draw a lesson from the minor political disturbance in 1986 or adopt appropriate measures. The political turmoil in late spring and early summer of 1989 was more indicative of how the rightist ideology had worked its way into the party leadership.

Song Ping also pointed out: There is one difference between the Government Work Report and the party work report: It is not appropriate to include any difference of opinion or controversy in politics, understanding, or ideology in the Government Work Report.

However, Qiao Shi, CPC Central Committee Political Bureau Standing Committee member, pointed out: Generally speaking, our leading echelon is restrained by the "leftist" ideology, which has hindered the effective implementation of the party's principles and policies. By stressing that "China should guard against rightism and, predominantly, prevent 'leftism,'" Deng Xiaoping has given us the ideological green light.

Wan Li, Political Bureau member and NPC Standing Committee chairman, also made it clear that the major task at present is to prevent "leftism." He pointed out that "leftism" finds concrete expression in the following aspects: in theory, holding on to doctrinairism and judging and criticizing people with what the books say; in ideology, being accustomed to small-scale peasant economy and, over a long time, being keen on following the Soviet system of planned economy, causing perennial difficulty in national economic development.

At the meeting, Qin Jiwei, Political Bureau member and defense minister, went further to suggest that combating "leftism" is of greater necessity than preventing it. He maintained that such representatives of "leftism" in the party as Wang Zhen, Deng Liqun, and Gao Di should ferret out their ideological root of "leftism."

The informed sources also said: At the March Political Bureau meeting, CPC General Secretary Jiang Zemin, who was presiding over the meeting, also unequivocally said that the "leftist" ideology is a major problem in the party; that the key to completely unleashing the productive forces and fully mobilizing and bringing into play the people's enthusiasm, creativity, and subjective initiative is to remove "leftism"; and that it is necessary to follow the spirit of seeking truth from facts as advocated by Deng Xiaoping. Nonetheless, the discussion over the "Government Work Report," which lasted nearly five hours, did not bring forth a consensus on the issue of preventing "leftism." Therefore, the statement on preventing "leftism" in the fourth revision was eventually left out.

From the above information, one can infer why Li Peng's "Government Work Report" made no mention of preventing "leftism." Li Peng is not to blame here. Consequently, there are not enough grounds for one to conclude that Li Peng deliberately resisted Deng Xiaoping's line merely from the fact that his "Report" failed to mention preventing "leftism," and then proceed to speculate that his status as premier is in danger.

In fact, Li Peng, under Deng Xiaoping's "prompting," started to change his stand last September. He time and again praised Deng Xiaoping for initiating the reform and opening up on various occasions at home and abroad and showed his support for the basic line laid down by Deng Xiaoping. Today, when Deng Xiaoping's talks on his southern China tour are being supported by more and more people, including some political elders, he has less reason to turn around. Even if he still harbors some "leftist" ideas, Li Peng, being a smooth character,

understands that he would capsize in the "political ocean" unless he closely follows the situation.

The personalities in Beijing's political circles consider it especially noteworthy that the difference shown at the March Political Bureau meeting within the CPC over the issue of preventing "leftism" when discussing the "Government Work Report" indicates that the CPC top echelon's opinion of Deng Xiaoping's talks is still divided and that it is indeed not easy to implement Deng Xiaoping's line when "leftist" things are so deep-rooted.

The difference of opinion at the Political Bureau meeting also makes it plain to everybody that "if a problem comes up in China," it will not only "come from within the CPC" as claimed by Deng, but will also come from the "CPC top echelon." Will this situation firm up Deng's determination to "replace a few" of the third-generation leading group, as he said during his southern China tour? Let us wait and see.

#### **'Ultraleftist' Faction Reportedly Not Crushed**

*HK1604020692 Hong Kong CHIUSHIH NIENTAI in Chinese No 4, 1 Apr 92 pp 48-49*

[Article by Lin Wei (2651 5898): "Ultraleftist Faction Not Disintegrated by Strong Deng Whirlwind"]

[Text] The backdrop of Deng Xiaoping's inspection tour of the southern provinces to launch the second "northern expedition" with his remarks has roused people's interest; the repercussions from the CPC top echelon have also called for our attention.

#### **Unusual Backdrop of Old Deng's Southern Inspection Tour**

A source has it that in his remarks made during his southern inspection tour, Deng Xiaoping said no one in Beijing listened to what he said; therefore, he went south. Such circumstances were almost the same as the eve of the Cultural Revolution when Mao Zedong referred to Beijing "being impenetrable and watertight," and he had to leave for Shanghai to start the Cultural Revolution. Another source has it that earlier, a number of "veteran revolutionaries" wrote a letter to Deng Xiaoping, demanding the abolition of special economic zones [SEZ's] on the grounds that "the capitalist road is taken" in SEZ's.

All this was possible, but they were small incidents that touched off the decisive move. Deng Xiaoping had long hatched the plan to launch the "northern expedition." In summer 1990, he called for a fast-paced reform, but to no avail. No significant results were scored in his "northern expedition" launched in Shanghai around the 1991 Spring Festival, either. However, the present situation on Mainland China could not afford a continuation of such a "stalemate" and a breakthrough was imperative. Two points account for this: First, the drastic change in the USSR political situation resulted in bolstered activities of the CPC ultraleftist faction in opposing Deng

Xiaoping, and open questioning of whether the SEZ's "bear the surname socialism or capitalism," which tended to single out Deng for repudiation. Second, economically, the mainland's output value superficially increased, but its economic returns have always been low, with an increasing number of state-run enterprises suffering from deficits, whereas the state finances were in great difficulties. If reform was not promptly pushed, the situation would soon come to a breaking point. That pressed Deng Xiaoping to adopt resolute measures. Favorably, the conservative octogenarians Wang Zhen, Li Xiannian, Peng Zhen, and Deng Yingchao did not make public appearances during the Spring Festival, probably because of poor health; that provided a golden opportunity for Deng Xiaoping to launch the "northern expedition."

#### **Reactions to Deng's Remarks Vary Among Top Echelon**

The reactions to Deng's remarks, which had been sorted out and published in the Central Committee (1992) Document No. 2, varied among the top echelon. Wan Li, National People's Congress [NPC] Standing Committee chairman, was the most active in relaying Deng's remarks, with the document distributed to every party member of the NPC system. The State Council headed by Premier Li Peng relayed the document to cadres at and above bureau levels at first. Whereas the document met with the strongest resistance from the Chinese People's Political Consultative Conference [CPPCC] headed by its chairman, Li Xiannian, and vice chairman, Wang Renzhong, who was in charge of routine work, and the relaying was confined to CPPCC Standing Committee members.

Another source said Song Ping, Central Committee Political Bureau Standing Committee member in charge of organizational work, stated at a meeting that Deng Xiaoping's remarks during his southern inspection tour had marred the "political situation of stability and unity." Of course, the ultraleftist faction would never admit that their hue and cry of "opposing peaceful evolution" and charges against "taking the capitalist road" caused shocks to stability and unity.

Eventually, the CPC Political Bureau called a full session on 9-10 April, and unified thinking temporarily. The session expressed the belief that "to emancipate and develop the productive forces is the basic task for our party in leading the people to build socialism"; the basic line of "one center, two basic points" "should not be shaken for a hundred years." The session also provided an answer to the dispute regarding "whether bearing the surname of socialism or capitalism": "In judging whether something bears the surname of 'socialism' or 'capitalism,' the criteria should be whether or not it is conducive to developing the productive forces, helpful to boosting the comprehensive national strength of a socialist country, and improving peoples's living standards." Regarding the issue of the struggle between lines, the session affirmed "the need to guard against rightist influences, but the more so to prevent 'leftism.'"

The practice of the said Political Bureau full session answering those sensitive issues and publishing them was obviously aimed at unifying thinking. However, the Political Bureau spent two days in discussing those sensitive issues; there are reasons to believe that there were fierce arguments at the session. Finally, Political Bureau Standing Committee members Song Ping and Yao Yilin had to examine themselves, and Beijing municipal party committee Secretary Li Ximing also made an examination.

#### Lots of People Have Contracted "Political Disease"

Superficially, the reformist faction has defeated the ultraleftist faction, and some new conditions surfaced in the top-echelon personnel.

It was reported that Acting Culture Minister He Jingzhi has already handed in his resignation, having been singled out by Deng Xiaoping. Another source had it that He has been hospitalized because of "political disease." Regarding his resignation, some said the central authorities have already approved it; others said the matter has not been decided yet; still another source had it that should He Jingzhi leave office, Hu Qili, who was removed from office in the wake of the "4 June" incident, would be appointed culture minister.

According to another report, ultraleftists singled out by Deng Xiaoping included Hu Qiaomu (Central Advisory Commission Standing Committee member), Deng Liqun (Central Advisory Commission member), Wang Renzhi (Central Propaganda Department director), and Gao Di (RENMIN RIBAO office director). However, their names were deleted in Document No. 2 (along with one-fourth of Deng's talks.)

It was reported, the "ultraleftist" ringleader Deng Liqun was also hospitalized. XINHUA NEWS AGENCY Director Mu Qing was planning to retire, and would probably be replaced by Guo Chaoren, who was comparatively open-minded.

Some disintegration seemed to have surfaced in the ultraleftist camp. Vice Minister of Culture Xu Weicheng, in charge of day-to-day affairs, who had been an ultraleftist advocate, was said to likely replace Wang Renzhi. A source had it that Xu was rather flexible when the Central Commission for Discipline Inspection started investigating Wang Renzhi's problem of corruption, and curried favor with Li Ruihuan, Central Committee Political Bureau Standing Committee member, who was designated by Deng Xiaoping to take charge of ideology.

RENMIN RIBAO Office Director Gao Di spread words that he and Li Ruihuan had reached a "common understanding," probably, that he would join the reform camp. However, Shao Huaze, who had been sent to the RENMIN RIBAO Office to be its chief editor by the People's Liberation Army [PLA] General Political Department, was reportedly drawing a demarcation line between Gao Di and himself.

Li Tieying, Political Bureau member and State Education Commission minister, who appeared with ultraleftist features in the wake of the "4 June" incident, is now always accompanying Li Ruihuan, and drawing close to reform. It is believed He Dongchang, State Education Commission vice minister, will be sacrificed and removed from office. Earlier, Li Tieying did not agree to He Dongchang's retirement, while praising him for having done voluminous work; consequently, He Dongchang, an extreme leftist, was very complacent about it.

Another "accident" was Wang Renzhong, Chinese People's Political Consultative Conference [CPPCC] vice chairman, dying of illness. Wang had been "entrusted" by Li Xiannian to be in charge of the CPPCC Standing Committee sessions, but passed away on 16 March. The 11 March 18th Session of the Seventh CPPCC Standing Committee was presided over by its other vice chairman, Hong Xuezhi, who was former deputy secretary general of the Central Military Commission, and purged in the wake of the "4 June" incident because he did not agree to suppression. Now that Hong was presiding over a CPPCC session, did it reflect certain changes in orientation?

Besides, a source had it that State Vice President Wang Zhen, who is known for his toughness, would also leave office for "health reasons."

#### Leftist Faction Not Collapsed

It is still hard to say whether or not the aforesaid personnel reshuffle will be decided on at the Fifth Session of the Seventh NPC to begin in late March because the ultraleftist faction has not completely collapsed. At least, Li Peng is not willing to see a large number of people from the reformist faction promoted. Regarding his "comrades-in-arms" leaving office, it is like grieving for like in his case. The best slogan for the leftist faction now is precisely "stability and unity."

From the angle of the CPC tradition, which is also Deng's, he has never been soft-hearted in handling cases of leading members whom he believed to be "rightist"—including the purges of Hu Yaobang and Zhao Ziyang. However, regarding those "leftist ring leaders," he could be rather sentimental because of their "simple class feeling." This being the case, Deng Liqun is likely to maintain his office of Central Advisory commissioner, while playing the role of "amateur general secretary." Probably, Deng Xiaoping will appropriately protect them so they may still be useful in a future campaign "against bourgeois liberalization."

In addition, it was reported that the document on the rather mild conclusion on the nature of Zhao Ziyang's case had been retrieved; that could be a compromising act to divide the ultraleftist camp. Zhao Ziyang's case has been the feat of Li Peng, who dealt a fatal blow at Zhao relying on the "4 June" incident, whereas Jiang Zemin also guards against Zhao. This being the case, there is

still bargaining on Zhao's case at the top echelon, but the matter will not be put off after the 14th CPC National Congress.

However, Chen Yun, the commander in chief of the "opposition," has not as yet made a counter move.

### **Journalists Urge Party Investigation of Gao Di**

*HK1704031192 Hong Kong THE STANDARD  
in English 17 Apr 92 p A-5*

[By Cheung Po-ling in Beijing]

[Text] A group of PEOPLE'S DAILY [RENMIN RIBAO] journalists has called on the Communist Party's Central Committee to investigate how its hardline director, Gao Di, repeatedly blocked reforms.

Chinese sources said a group of journalists and editors submitted a report to the Central Committee on Mr Gao's remarks and actions which allegedly contradicted the spirit of Deng Xiaoping's policies.

The report offered to supply more material should the central leadership create a working group to investigate the accusations of leftism.

Sources said Mr Gao's bureaucratic and ultra-leftist manner created resentment among his subordinates.

The report quoted Mr Gao in early March saying: "Concerning the publicity of Comrade Deng's directives, we already issued several articles (in the paper) which would resist (the critics against leftism) for some time.

"I have to make clear that the publicity of Mr Deng's directives would come to an end for the time being."

The report also cited Mr Gao's failure to circulate an important No 2 Document among the cadres of the paper issued by the party's Central Committee.

The report also mentioned other conservative leaders of the paper who only paid lip service to reforms and openness.

Earlier last month, the leadership asked seven party and government bodies including the PEOPLE'S DAILY to carry out a "self-scrutiny" of leftist articles and views it had carried in the past two years.

Sources said working groups had been sent to the Ministry of Culture and the State Education Commission earlier this month to investigate how the organisations had contravened Mr Deng's line.

They added the next target of the in-house cleansing would be the PEOPLE'S DAILY.

The party's central propaganda department has issued an instruction to its units at regional level not to promote any articles of the February issue of the CONTEMPORARY TREND OF THOUGHT [DANGDAI SICHAO].

The bi-monthly backed by conservative ideologue Deng Ligun has carried articles in its latest issue harshly criticising reforms which might go against the development of socialism.

Sources said the veiled attacks against Deng Xiaoping in the magazine had alarmed authorities.

### **Article Discusses Changes at RENMIN RIBAO**

*HK1704111492 Hong Kong CHIUSHIH NIENTAI  
in Chinese No 4, 1 Apr 92 pp 80-83*

[Article by Lu Tao (7120 1497): "Inside Story About Major Screening in RENMIN RIBAO After 4 June"; CHIUSHIH NIENTAI notes article was "written at the University of California, Berkeley in February 1992"]

[Text] Former director Qian Liren; chief editor Tan Wenrui; and deputy chief editors Lu Chaoqi, Yu Huan-chun, and Fan Rongkang stepped down one after another, and those who were allowed to stay were having a hard time. The new director, Gao Di, ran the newspaper with an ultra-leftist and ruthless hand and launched the uncovering and weeding-out work. He took orders from the "leftist kings" Wang Renzhi and Xu Weicheng and covertly criticized Deng Xiaoping.

Editor's note: During his southern inspection tour, Deng Xiaoping had mentioned guarding against the leftist tendency and criticized the people who "write articles" and give empty talks. So in recent days, there have been strong rumors that Central Propaganda Department head Wang Renzhi, Vice Minister He Jingzhi, and RENMIN RIBAO Director Gao Di are under pressure and, moreover, about to resign and step down. How were the uncovering and weeding-out done at RENMIN RIBAO, the CPC party newspaper, following 4 June? What is the present state of affairs? The author of this article is a mainland journalist with inside information of the situation, who only left China a few months ago. He wrote us this insider's report. [end editor's note]

Earlier, in San Francisco, the writer, during a visit with his daughter, met a mainland friend from Beijing. We had a long talk, and the subject fell on RENMIN RIBAO. My friend sighed: "The 30-odd days before the shooting can rightly be said to be the golden days of RENMIN RIBAO's history. I was its veteran reader, but I read the government units' [where I worked] copy. But in those days [before the "30-odd days"] I bought it. To this day, I still keep those I bought; they are genuinely 'papers of the people.'"

It is precisely these dozens of truth-revealing papers dear to the people that almost ruined RENMIN RIBAO, or at least made it go through potentially fatal surgery.

### **Persons in Charge, Such as Qian Liren, Were Relieved of Office**

On the eve of 4 June, the RENMIN RIBAO director was Qian Liren, who was formerly head of the Central

International Liaison Department. He succeeded Qiao Shi (now CPC Central Committee Political Bureau Standing Committee member) as head of the Central International Liaison Department. They were good friends privately. But on the eve of 4 June, Qian Liren contracted a "professional disease," which all CPC high-level personnel are prone to at times of crisis, and went on sick leave. Qian also said publicly that the Central Committee had forced the post of RENMIN RIBAO director on him; he had never wanted it. This angered Li Peng and others. Later, Song Ping approved Qian Liren's dismissal. But Qian still works as a CPC Central Committee member. The story was that no specific "antiparty words or actions" on Qian's part could be found.

The chief editor at that time was Tan Wenrui, who was a veteran staff member of DAGONG BAO in the early 1950's. It can be said that he owed his chief editor's post to reform and opening up. Although he was not involved in the newspaper's frontpage layout during the "4 June" period, he was "retired to rest in his hometown," which was not a bad deal for him in view of the overall political retrenchment.

The men who "called the shots" during this period were deputy chief editors Lu Chaoqi and Yu Huanchun, who was also the OVERSEAS EDITION chief editor. Lu was a firm supporter of Zhao (Ziyang), and was the one who publicly defied the will of a CPC Central Propaganda Department deputy director, who was on duty that night, and printed the next day "That Night at Beijing" on the front page. RENMIN RIBAO was the only one out of the 30 or so mainland newspapers to report on shootings by the troops in Beijing and the resultant casualties. That day was a national disaster, but also a day which RENMIN RIBAO can be proud of. Lu Chaoqi could not find excuses for his "sin." Although at retirement age, there were reports that he could not step down with "dignity," but had been deprived of the benefits accorded to a central deputy director and demoted before being retired. Regarding Yu Huanchun, who was a relatively young deputy chief editor, it would be a laughing stock if he were retired. But he could never sit at the RENMIN RIBAO desk. Finally, Yu was transferred to Sichuan to work as deputy director of the Sichuan Propaganda Department. This is what we call "learning from past mistakes to avoid future ones and curing the sickness to save the patient."

Fan Rongkang, a legendary RENMIN RIBAO deputy chief editor, was the "finest pen" on the newspaper. In 1985, he was promoted from the commentary section to deputy chief editor and was the only Chinese People's Political Consultative Conference member at the paper. His main job was to write commentaries, which led him into close contact with high-ranking CPC leaders. He was the one who went to Zhongnanhai to get the "26 April" editorial and was told not to alter one word of it. But he was a supporter of the democratic movement. A friend of this writer worked at RENMIN RIBAO and overheard the following remark by Fan: "It will be regretted historically if there is no RENMIN RIBAO

marching column on Chang'an Avenue." This march was videotaped as an internal RENMIN RIBAO record, which was counted as evidence of Fan's "crime." In view of Fan's years of diligent performance at RENMIN RIBAO, he was allowed to step down with dignity in 1991, when he turned 60.

Deputy chief editors Li Renchen and Bao Yujun were the only two "survivors." It is said that the two were allowed to stay to show the party policy of not laying sweeping charges against all the people; second, they were still young—about 50—and "can still become good comrades after education." There are reasons to believe that they are now having a hard time at RENMIN RIBAO and look a little like "personnel on probation," as they used to say.

#### The New Leadership's Background

The number one leader of the new RENMIN RIBAO masters was the internationally infamous Gao Di, who quickly built up his image in his typically ultra-leftist and ruthless way. He used to be the chief editor of a small newspaper in Jilin city, when he met Li Peng, then a chief engineer at Fengman Power Station. The power station beside the Songhuajiang Lake is more than 10 km from Jilin. The two could not have been very close. But it was a relationship. Later, both made it to the top: Gao Di became first secretary of the Jilin Provincial CPC Committee and later executive vice president of the CPC Central Party School under Qiao Shi.

Mainland political analysts do not harbor much hatred toward Gao Di, as he is a thorough hardliner and not an opportunist. So he is passable in this regard. He has vigorously pursued leftist policies and supported the bloody suppression. He had a rather unfortunate family life: One of his sons was a schizophrenic and shot and killed his own mother, Gao Di's wife.

Gao Di officially became RENMIN RIBAO director in June 1989. Shao Huaze, the new chief editor, reported to duty at about the same time. Shao was head of the People's Liberation Army General Political Department Propaganda Department, with a major general's rank. But it was a strange situation: Shao was kept out of the "leading group for uncovering and weeding-out work." The group was led by Gao Di, as was only reasonable; Shao Huaze should have been the second leader, but he was not. Shao Huaze was in a very delicate position in RENMIN RIBAO. He had published a study of "On Contradiction" in JIEFANGJUN BAO, much to Mao Zedong's delight. That launched Shao's political career.

Another noteworthy figure was Zhang Yunsheng, the first deputy chief editor and leader of the uncovering group. Formerly he was a Central Organization Department bureau chief. After 4 June, he followed Gao Di into RENMIN RIBAO. He was present and spoke on every occasion; his profile was far higher than Shao Huaze's.

There were two other new editors: Cheng Mengxiong, formerly ZHEJIANG RIBAO chief editor, and Tong

Jiuyu, formerly SHANXI RIBAO chief editor. Reports attributed the promotion of these two people to their "firm implementation of the four cardinal principles and strong support of crackdown on the counterrevolutionary rebellion" in their localities.

There is also a major general in the new leadership group—the new deputy director, Li Jinyou. There is word that he was the political department director of an army of the "rebellion-quelling" troops. The army got credit from "quelling the rebellion." The army's commander and political commissar are now the commander and political commissar of the CPC Armed Police Corp. They surely can "drink a toast to themselves."

#### **Several Key Events in the Uncovering and Weeding-Out Drive**

This writer once talked with several informed sources about the "uncovering" drive in RENMIN RIBAO. After 4 June, many units had established special organs for the uncovering drive, under the "coordination" of the CPC Discipline Inspection Committee. RENMIN RIBAO was considered one of the many units, large or small, that were subject to the most intense "uncovering" drive. The following are some of the specific details:

The newspaper reserved the entire 11th floor for the Office for the Uncovering Work, its entrance on the 10th floor guarded by armed police garrisoned in the paper's building. The uncovering principle was "going all the way in eliminating evils to remove the causes for future trouble," while "firm communists genuinely loyal to Marxism must be selected and promoted to leading posts at various levels." The office demanded that everyone write an "explanation report" ("explaining" signature petitions, marches and demonstrations, whether or not one had written or done anything which should not have been written or done....), and investigated several important incidents.

The first was the "tape recording incident." After 4 June, a recording of an important RENMIN RIBAO meeting was leaked overseas through secret channels. The meeting was held 16 May and fully recorded RENMIN RIBAO editors' and reporters' views on the current situation. The minutes, after "annotation and commentary" by overseas scholars, was published in MEIZHOU HUAQIAO RIBAO [AMERICAN OVERSEAS CHINESE DAILY]. Gao Di was determined to find this secret channel and bring the people concerned to justice, reportedly with the charges of "treason" and "counter-revolutionary instigation"; cumulative punishment for these offenses may result in life imprisonment many times over. A large number of people at RENMIN RIBAO knew about the secret channel, but Gao Di did not get what he wanted. The only thing Gao Di was able to do to vent his frustration was fire a RENMIN RIBAO expatriate who picked up the tape recording on the last leg of its overseas journey.

The second was the newspaper "extra" incident. On 20 May, the day when martial law took effect, some of RENMIN RIBAO's young reporters went on a march during which they distributed a RENMIN RIBAO "Extra." Without doubt they went beyond their powers in doing this, but this is understandable given the extraordinary situation. Because Li Peng personally put this as the "national number one case," Zhang Shu, the sports correspondent who organized the action, was quickly arrested, but a year later released "on bail pending trial." Another leader, Wu Xuecan, tried to escape overseas after 4 June but was arrested in Hainan after a nationwide manhunt, and is still in Qincheng Prison. Young reporter Song Bin was involved in the case but was released four months after his arrest.

The third was the investigation into the frontpage layout. With RENMIN RIBAO seen as committing the "mistake of giving wrong media guidance," there were efforts to find the authors and editors of "problematical" articles, and the chief editor on duty on the days in question. It was demanded that suspects "spell out" what happened at the time. Of the articles printed, "That Night at Beijing" and "Beijing on the First Day of Martial Law" were the first to come under investigation. According to sources, most of the authors of these articles were middle-level leaders of the newspaper. They were all sacked.

Here is a relatively accurate list of names according to sources: Section- and bureau-level cadres sacked were Jiang Shijie, director of the Mass Work Department; Luo Rongxing, director of the Science, Education, and Culture Department; Luo Erzhuang, director of the International Department; Liu Yunzhou, first deputy director of the Chief Editor Office; Zhang Baolin, chief editor of the RENMIN RIBAO OVERSEAS EDITION commentary section; Yang Lianghua, chief editor of the OVERSEAS EDITION's cultural and education section; and Wu Xuelin, deputy director of the Politics and Law Department. Reporters transferred elsewhere include Feng Yuan, wife of Wang Ruoshui; Gao Ning, reporter of the art and literature section; senior reporter Gao Xingqing; Wen Zijian, reporter of the science, education, and culture section; and Shan Zhiqiang and Wang Jun, reporters of the OVERSEAS EDITION. These people were viewed as the "elites of rebellion" in RENMIN RIBAO. Some are still waiting for a verdict.

#### **The Present State**

Two years have elapsed since "4 June." The great personnel change at RENMIN RIBAO has been declared to have basically ended. One notable sign is that another four people have been appointed to the editorial committee (the committee wields the highest power in RENMIN RIBAO; deputy chief editors or people above that rank are automatically counted as committee members). The following are short biographies of the four people:

Yu Quanyu, director of the Chief Editor Department; formerly chief editor of the XINHUA NEWS AGENCY JINGJI CANKAO [ECONOMIC REFERENCE]. While working at XINHUA, he consistently pursued the leftist line, and furthered it by putting on a series of performances after the "4 June" incident, as evidenced by his newspaper articles. He was appreciated by Gao Di and came to serve RENMIN RIBAO. He got a sincere farewell party from his colleagues when he left XINHUA.

Ai Feng, Economic Department director: graduated from the Chinese Academy of Social Sciences Graduate School in 1981 and considered a "new political rising star in the moderate camp." He has published some journalistic works, for instance "On the Methods of News Coverage." Earlier he received the Fan Changjiang Award—the highest award for mainland journalism. The word is that he is the top candidate for the deputy chief editor post because he is acceptable to all factions.

Sun Yongren, Theoretical Department director: formerly worked at the ultra-leftist newspaper BEIJING RIBAO. Appreciated for his leftist performance, he was promoted to RENMIN RIBAO. His proudest achievement in his two years at RENMIN RIBAO was the making of a new "star"—He Xin. RENMIN RIBAO accorded He Xin's "World Economic Situation and China's Economic Problems" the kind of space usually reserved for government work reports. All persons in the academic circles sneered in contempt when He Xin was mentioned.

Ding Zhenhai: Literature and Art Department director. Formerly QIUSHI Science and Education Department director, he has repeatedly blasted Zhao Ziyang for axing HONGQI, and vigorously pursued the leftist line while working at RENMIN RIBAO. Jointly named the "two Hai's" with GUANGMING RIBAO chief editor Zhang Changhai, he and Zhang are identical in their leftist outlooks.

As for the 700 editors and reporters in the Editorial Department, overall the incentive is low. It is hard to imagine how a democratic and free-thinking camp can change its face overnight and sing praises for the leftist line. At its wits' end, RENMIN RIBAO was forced to use nationwide XINHUA NEWS AGENCY dispatches on a massive scale.

The "Office for Uncovering Work" on the 11th floor is still operating, although Gao Di has triumphantly declared that "the uncovering and weeding-out work at RENMIN RIBAO has basically ended (the word "basically" is very tricky and leaves an opening for future contingencies).

#### High-Level Controls Over RENMIN RIBAO

As Hu Qili fell with Zhao Ziyang, Deng Xiaoping appointed Li Ruihuan as the highest official for CPC ideological work.

As is well known, Li Ruihuan is a doer and not a theoretician. The post is not too suitable for him. In terms of organizational procedure, as Central Committee Political Bureau Standing Committee member and Central Secretariat member, Li Ruihuan is in name and reality the official leader of the CPC Central Propaganda Department, RENMIN RIBAO, XINHUA NEWS AGENCY, the China Central Television Station, the Central People's Broadcasting Station, and so on. But practice over the last two years proves that this has not been the case. On the contrary, "in the temple, lower ranking monks are the ones who dare to make a scene." The one with the loudest voice has been Xu Weicheng, executive deputy director of the Central Propaganda Department, and He Jingji, acting culture minister. They not only openly defied but embarrassed Li Ruihuan. In terms of ranking, both RENMIN RIBAO and the Central Propaganda Department are of ministerial rank, the latter cannot give orders to RENMIN RIBAO. Still, Xu Weicheng dared to issue instructions to RENMIN RIBAO. Even Gao Di has had to listen to him.

The root cause for this absurd phenomenon lies in the existence of a super-cabinet in the current CPC political structure: the old men's party. Party members, like Chen Yun, Wang Zhen, Li Xiannian, and so on, still wield real power. They are Xu Weicheng's backers. Li Ruihuan could do nothing about this.

But this is bound to create difficulties in concrete work. Often views within the leadership differ on the same problem. Around last August or September, the media were at a loss over the issue of the surname being "capitalism or socialism," not knowing who to listen to. The issue was raised because the conservative force in the old men's party was making veiled criticisms against Deng Xiaoping through Wang Renzhi and Xu Weicheng.

Li Ruihuan is totally devoid of the authority that befits one who is the highest in command in ideology. You cannot mention Li Ruihuan and Liu Shaoqi, Chen Boda, and Zhang Chunqiao in the same breath. Therefore, Li Ruihuan has adopted a "laissez faire" policy and let things take their course. His only job of lasting impression since he assumed the post was a "vice sweep."

Earlier, this writer met a veteran RENMIN RIBAO reporter in Zhuhai. On leaving, he made a remark full of significance and worth pondering: "I wonder if it can be said that today's PRAVDA is tomorrow's RENMIN RIBAO?"

#### Song Hanliang Meets Hong Kong Reporters at NPC OW1404182292 Urumqi XINJIANG RIBAO in Chinese 30 Mar 92 p 1

[Report on interview with Song Hanliang by unidentified Hong Kong reporters in Beijing on 28 March: "Xinjiang Will Definitely Move in Step With the Rest of the Country Toward Achieving 'Moderate Prosperity'", filed by XINJIANG RIBAO reporter Jin Ruiyong (6855

3843 8673) and Xinjiang People's Broadcasting Station reporter Li Heping (2621 0735 1627)]

[Text] Song Hanliang, secretary of the autonomous regional party committee currently in Beijing to attend the Fifth Session of the Seventh National People's Congress, was interviewed by Hong Kong reporters on 28 March. Song Hanliang remarked joyously: Currently, Xinjiang enjoys ethnic unity, economic development, an ever-improving living standard, and an excellent situation marked by accelerated development. People of all nationalities in Xinjiang have strong confidence in their ability to seize favorable opportunities to further expedite the reform and opening program, step up economic development, and promote common prosperity among various nationalities.

The Hong Kong reporters who interviewed Song Hanliang represented seven news outlets including Hong Kong Television Broadcasts Limited, WEN WEI PO, ORIENTAL DAILY NEWS, and SING TAO JIH PAO.

A reporter asked: "Did last year's disintegration of the former Soviet Union and other countries have an impact on Xinjiang?"

Song Hanliang replied with a definite "no." He said: This is because reform carried out by our country over the past decade or so helped solve the problem of feeding and clothing people of all nationalities, further developed Xinjiang's economy, promoted political and social stability, and instilled confidence in the general public. In addition, it promoted contact and trade with neighboring countries and laid a sound foundation for maintaining continued stability. Xinjiang's current situation is very good. People of all nationalities greatly cherish this hard-won excellent situation. They are hopeful and confident of exploiting Xinjiang's geographical location and resources to gear up reform, opening, and economic development. They do not want to lose this excellent situation.

Answering a reporter's question on Xinjiang's current development of border trade, Song Hanliang said: "Xinjiang now faces bright prospects for developing border trade." Autonomous regional Vice Chairman Li Dong-hui, interviewed along with Song Hanliang by the reporters, said: Last year, we signed contracts on two types of trade—trade conducted in cash and in kind—with Central Asian and neighboring countries covering a total trade value of 600 million Swiss francs. Of these, contracts valued at 150 million Swiss francs were honored, an amount exceeding the total trade value of the eight years since 1983 when Xinjiang opened its ports and resumed bilateral economic and trade relations with those countries. Border trade has accelerated since the beginning of this year. As of 20 March, Xinjiang sent 148 delegations comprising over 800 people to various Central Asian countries to pay visits and conduct trade negotiations. It also signed over 400 million Swiss francs' worth of contracts, concluded many bilateral agreements, and promoted exchanges of visits. Various

exchanges—economic links, trade, tourism, and purchases of goods—increased rapidly, thus further expanding economic and trading activity. There are three main reasons for this excellent situation. First, our country's implementation of a policy aimed at expanding reform and opening efforts helped develop Xinjiang's economy greatly. Second, various Central Asian countries acquired relatively independent decision-making power in foreign trade after gaining independence. Third, the parties concerned needed each other and played a tremendous role in supplementing each other in the economic sphere. This is a more important reason. There are broad prospects for developing border trade between Xinjiang and neighboring countries.

Southern Xinjiang is relatively poor. A reporter asked about the prospects for promoting southern Xinjiang's economy through oil exploration. Song Hanliang said: Oil exploration in Xinjiang is an important means of eliminating economic privation in the south. The Tarim, Junggar, and Turpan Basins in Xinjiang contain rich oil and natural gas deposits. The Tarim and Turpan Basins alone can each provide 600 million cubic meters of natural gas to various parts of the autonomous region. The central authorities implement preferential policies toward Xinjiang regarding the exploitation of oil and natural gas, allowing the region to process those resources locally. These policies will definitely promote further local and rural industries in southern Xinjiang and give strong impetus to efforts aimed at invigorating the entire southern region. We have full confidence in these prospects.

Answering a reporter's question on Xinjiang's reform and opening plans, Song Hanliang said: There are three factors favorable to Xinjiang's acceleration of its reform and opening program. The first is the advantage in terms of resources and geographical location. The second is the sound foundation for expediting development as a result of bumper agricultural harvests reaped in over a decade in a row. The third is the special policies formulated by the central authorities for implementation in western China. Faced with a favorable international environment and an excellent domestic situation, we should capitalize on propitious opportunities and make full use of the three favorable factors to concentrate our efforts on developing the economy rapidly. We should aim to build up the foundations for agriculture, animal husbandry, petroleum, petrochemicals, light industry, textiles, and food industry during the Eighth Five-Year Plan. We should also strive for major breakthroughs in prospecting for nonferrous metals and gold and for substantial progress in constructing infrastructure, such as water conservancy projects, electric power stations, and highways. Song Hanliang said: Though we now lag behind interior provinces and regions economically, we believe that we can definitely achieve our goals and move in step with the rest of the country toward

achieving "moderate prosperity" as long as we persistently follow the strategy of opening up along the border and steadfastly implement the basic line of "one central task and two basic points."

Song Hanliang also answered reporters' questions on other matters.

### Jiangsu Governor on Accelerating Reform at NPC

OW1604055892 Nanjing XINHUA RIBAO in Chinese  
1 Apr 92 pp 1, 2

[Dispatch from Beijing, 31 March, by XINHUA RIBAO reporter Ma Jian (7456 0256): "Governor Chen Huan Holds Press Conference for Chinese and Foreign Reporters in Beijing—Speed Up Reform and Opening to the Outside World and Establish a New Operating Mechanism"]

[Text] Chen Huanyou, a deputy of the National People's Congress [NPC] and governor of Jiangsu, held a press conference for Chinese and foreign reporters in the information center of the Fifth Session of the Seventh NPC at 1500 on 31 March, answering reporters' questions in connection with speeding up reform and opening to the outside world and economic development in Jiangsu.

A RENMIN RIBAO [PEOPLE'S DAILY] reporter asked: Jiangsu is a "comparatively developed area." What should be done next to realize the principle of "if we can move at a quicker pace, we will move at quicker pace"? After pointing out many favorable factors that will enable Jiangsu to do just this, Chen Huanyou said: There are four specific measures for our next step: Speed up reform, the main content of which is further expending market regulation and gradually establishing a new economic operating mechanism; open wider to the outside world, which will enable Jiangsu's seven cities along the river, considering this is the best region in the country, to attract foreign investment by following the Pudong Development Zone's method of giving preferential treatment to foreign businessmen; promote scientific and technological advancement, vigorously transform the traditional industry, and accelerate the development of new high technologies and their products; and vigorously readjust the industrial structure, strengthen agriculture—the foundation—renovate and upgrade the processing industry, and vigorously develop tertiary industry.

A Taipei LIAN HE BAO [LIAN HO PAO—UNITED DAILY NEWS] reporter asked: What is the situation in terms of Taiwan's investment in Jiangsu? What are your future plans? Chen Huanyou answered: Jiangsu ranks third in the country in the use of Taiwan capital, following Guangdong and Fujian. Because of historical, social, and other reasons, Taiwan compatriots like to invest in Jiangsu. Moreover, as Jiangsu is now in the stage of accelerating development, there are comparatively more small and medium-sized projects being undertaken, all of which give better returns. This readily

appeals to many Taiwan businessmen. Taiwan firms have also invested in large projects in Jiangsu. We will continue to warmly welcome Taiwan compatriots to invest in Jiangsu.

A VNA reporter asked: In your opinion, does speeding up reform and opening to the outside world involve the question of the emancipation of the mind? How does Jiangsu solve the problem of livelihoods for personnel of bankrupt enterprises? In his reply, Chen Huanyou expressed the contention that the emancipation of the mind is a process of advancing step by step. Some new problems will emerge in every new historical period, and it is necessary to further emancipate the mind in the face of these new problems. He said that Jiangsu has so far not announced the bankruptcy of any enterprise. With respect to enterprises that can no longer run, we encourage mergers and the organization of enterprise groups to give them a new lease of life.

A JIEFANG RIBAO [JIEFANG DAILY] reporter asked: How does Jiangsu participate in the development of Pudong? Chen Huanyou answered: Not long after the central authorities announced the opening of Pudong to the outside world, we also announced our four remarks: resolute support, taking the initiative to provide services, accepting the dissemination of the announced plan, and promoting development. These four remarks still stand.

A Taiwan GONGSHANG SHIBAO [INDUSTRIAL, COMMERCIAL TIMES] asked: What port is Jiangsu ready to open to the outside world to promote the "three links" [exchange of mail, trade, and shipping services] with Taiwan? Chen Huanyou answered with a smile: Matters relating to compatriots are easy to handle. Our Nantong, Zhangjiagang, Zhenjiang, Nanjing, and Lianyungang ports have shipping links with more than 130 countries and regions. If the conditions are ripe, any one of these ports can be used to promote the "three links" with Taiwan.

A Singapore LIANHE CAOBAO reporter asked: How does Jiangsu Province plan to draw close to the south China economic ring? How does it plan to participate in the development of the Southeast Asian economic zone? Chen Huanyou expounded by saying: We very much appreciate the many good experiences in the economic development of Asia's "four little dragons." We are willing to vigorously cooperate with them. Our current cooperation with Singapore and Hong Kong fares very well. Also, because Korea [han guo] is very close to Lianyungang, we are ready to vigorously cooperate with the Koreans. In short, we will actively cooperate with the "four little dragons" in Asia in a bid to seek common development.

A Shanghai People's Broadcasting Station reporter asked: It has been said that Governor Chen has compared Pudong to the "head of a dragon" and Jiangsu to the "tail of a dragon." What is the meaning of this? Chen Huanyou answered: I made this comparison when I was

interviewed by a Japanese reporter. At that time, I said the Chang Jiang was like a huge dragon, and Pudong was its "head," and Jiangsu was its "body" (not its "tail"). Once the "head" of the dragon moves, we, the "body of the dragon," must move correspondingly. If the "body of the dragon" does not move, it will be impossible for the "head of the dragon" to move. Therefore, in supporting the development and opening up of Pudong, our purpose is to enable the entire dragon to soar to the sky. Our seven cities along the river must link up with Pudong and with the international markets. This is our purpose. The Chinese nation will benefit when the huge dragon soars to the sky.

A LOS ANGELES TIMES reporter asked: Today various newspapers in Beijing carried a lengthy report on Deng Xiaoping's trip to Shenzhen. What are your comments on this? Chen Huanyou answered: The party's basic line of "one center and two basic points," initiated by Comrade Deng Xiaoping, agrees with the interests of the Chinese people, and, of course, it also completely agrees with the interests of the people of Jiangsu. Like the people of the whole country, the people of Jiangsu resolutely endorse and completely support this basic line.

A GUOJI SHANGBAO [INTERNATIONAL BUSINESS] reporter asked: Does Jiangsu have any practical foundation to support its opening wider to the outside world? After explaining briefly that the seven cities along the river feature favorable conditions for opening to the outside world, Chen Huanyou pointed out that now that Pudong, the "head of the dragon," has begun to move, we, the "body of the dragon," must move accordingly. Policies for these two areas should be basically the same. We also hope that the state will give Jiangsu preferential treatment similar to that given to Pudong. However, considering the difficulties of the state, it will be impossible for the state to approve a preferential policy identical to that approved for Pudong. Our attitude toward this question is this: If we are treated to a wholly preferential policy, we will welcome it, of course; but we will not complain that it is too little if we are given just a few types of preferential treatment. Nevertheless, we will ask the central authorities to approve a policy that supports us.

An AP reporter asked: During last year's period of combating floods and providing relief, were there any cases of embezzling relief funds? If so, how much money was involved? In his reply, Chen Huanyou gave a full account of the work of combating floods and providing relief to victims in Jiangsu. He said that up until now not one single yuan from relief funds has been embezzled in Jiangsu. He also took the opportunity to express sincere thanks to friends overseas for their sincere donations.

Chen Huanyou also answered other questions.

The press conference lasted one and a half hours. Nearly 150 Chinese and foreign reporters who attended the

conference asked their questions enthusiastically. Also attending the press conference with Chen Huanyou and answering reporters' questions were Jiangsu Vice Governor Wu Xijun; Nei Haiping, chairman of the provincial Foreign Economic Relations and Trade Commission; and Wang Wulong, vice chairman of the provincial Planning and Economic Commission.

The press conference was presided over by Wang Zheren, director of the information center of the Fifth Session of the Seventh NPC.

#### **Commentator on NPC-Ratified Law on Women**

*HK1604120892 Beijing RENMIN RIBAO in Chinese  
10 Apr 92 p 1*

[Commentator's article: "Important Legal Weapon for Protecting Women's Rights, Interests"]

[Text] The Fifth Session of the Seventh National People's Congress examined and passed the "PRC Law on Protecting Women's Rights and Interests." This is a great event of our country's political life, and of the women in our country as well. It marked the further perfection of the building of our democratic legal system, indicating that our party and country have made a further step to stress and step up the work of protecting women's rights and interests. Its enactment has provided a major legal weapon for doing a good job of protecting women's rights and interests in the new period in China.

Our party and country have all along paid serious attention to protecting women's rights and interests. Since the founding of the Republic, and particularly since the Third Plenary Session of the 11th CPC Central Committee, the state has successively enacted a series of laws and statutes stipulating women's rights in the fields of politics, economics, culture, matrimony, family, and society. The state has also formulated a series of policies and adopted various measures to strengthen the protection of women's rights and interests. These have yielded results that have attracted worldwide attention. At present, the legal and social status of the vast number of women has been raised comprehensively, and their role in various undertakings of the country has been brought into full play incrementally. However, the realization of women's rights are still restricted because of our country's historical, economic, and cultural conditions. There are still incidences of discriminating against, maltreating, and cruelly injuring women, and women are still faced with some difficulties and problems in employment, culture, and education, as well as in participation of state affairs. In this regard, the formulation and enactment of "the Law on Protecting Women's Rights and Interests" is extremely necessary.

The stipulations of "the Law on Protecting Women's Rights and Interests" are focused on our country's current situation and problems of women's rights and interests. On the problems which must and may be resolved, relatively concrete and detailed stipulations have been made, but only guiding and principled

requirements have been set for the problems which need to be solved, but for which it is difficult to find a solution under our country's present condition. The principle of equality between men and women and of special protection provided for women runs through the entire law. As our country's first special and systematic basic law on this subject, "the Law on Protecting Women's Rights and Interests" has surpassed and perfected our original law on this nature [as published] regardless of form or content. It will play an active role in further protecting women's rights and interests, giving free rein to their abilities in the socialist modernization drive, and promoting the development of the women's liberation movement.

The work of protecting women's rights and interests involves various social aspects, and its progress depends on the endeavors of the entire society. Hence, it calls for society to show concern for and give support and help to the implementation of "the Law on Protecting Women's Rights and Interests," and create a favorable social environment for protecting women's rights and interests. According to their own limits of authority, various relevant departments in society must perform their obligations of protecting the rights and interests as stipulated by the law; have a division of labor with individual responsibilities; coordinate with each other; and employ various administrative, economic, and legal means to bring their activities into line and exercise an overall control so as to ensure the implementation of "the Law on Protecting Women's Rights and Interests." Women's organizations at all levels are shouldering important responsibilities in protecting their rights and interests. Therefore, it is necessary to firmly seize the opportune moment of promulgating "the Law on Protecting Women's Rights and Interests" to do their respective work well to give impetus to smoothly conducting the work of protecting women's rights and interests in society. The realization of women's rights and interests will also depend on their own efforts. Therefore, the vast number of women in the country must strive to raise their own quality; develop the consciousness of "self-respect, self-confidence, self-independence, and self-support"; take an active part in the socialist modernization drive; and obtain society's acknowledgement for the contributions they make to social development and progress. The vast number of women must also pay attention to enhancing their awareness of the law, study and understand the law, act according to the law, and consciously apply the legal weapon to protecting their own legitimate rights and interests.

At present, our country has entered a new historical period of reform and opening up. Let us make concerted efforts and avail ourselves of the important juncture of enacting "the Law on Protecting Women's Rights and Interests" to push our country's women's work to a completely new historical stage.

### Procuratorate Urges Tough Penalties for Torturers

HK1704112992 Hong Kong AFP in English 1120 GMT  
17 Apr 92

[Text] Beijing, April 17 (AFP)—China's Supreme People's Procuratorate has called for the toughest penalties against officials obtaining confessions by torture.

In a circular condemning the practice, it said China should not expose itself to attacks from "international reactionary forces using the human rights issue to attack China's socialist system."

Confessions extracted by torture harm not only the individual's democratic rights but also the prestige of the party and government, said the Legal Daily [FAZHIRIBAO] citing the circular.

Noting progress at all levels in recent years in stamping out the practice, it said there were nevertheless still cases in which physical torture led to deaths.

The paper said China's top leaders had been alarmed by the situation. Qiao Shi, a Communist Party Politburo member and police chief, said in a report in January that the problem had to be tackled seriously.

According to official statistics, which are impossible to verify, 407 confessions obtained by torture were uncovered last year, compared with 472 the previous year.

International human rights organisations including Amnesty International, which accuse China of human rights abuses, regularly cite cases of torture, notably in Tibetan prisons.

### Public Security Forces Value Public's Information

OW1604115992 Beijing XINHUA Domestic Service  
in Chinese 0737 GMT 15 Apr 92

[By reporter Zhou Lixian (0719 4539 2009)]

[Text] Beijing, 15 Apr (XINHUA)—Public security forces at various levels across the country took the masses' letters and visits seriously last year, reading and handling 1.04 million letters and receiving 720,000 visits. They uncovered and cracked down on a number of criminals and solved many practical problems facing the masses, giving play to the positive role of public participation in maintaining social stability, safeguarding the legitimate rights of the masses of the people, and building closer relations between the police and the people.

Last year, public security forces at various levels handled a total of 700,000 letters and visits from the public that provided information in a variety of cases and supplied clues for solving the cases. After investigating and verifying, they cracked a number of cases to bring a number of law-breakers and criminals to justice. By verifying and investigating clues provided by the public in writing or in person, the public security forces of Chongqing City, Sichuan Province cracked 1,000 cases and arrested 852

criminals. Acting upon information provided by the public the Public Security Bureau of Qingdao City, Shandong Province cracked 65 relatively important criminal cases, including the crushing of an exceptionally large criminal organization that had 99 members and engaged in speculation and profiteering by disseminating and duplicating pornographic videos.

Public security forces at various levels throughout the past year put into practice the idea of concentrating on the masses and relying on them for everything when handling their letters and visits; they took the handling of cases reported by the public as their key task and worked hard to solve the masses' problems and satisfy the legitimate requests of many people. According to statistics compiled by the Public Security Departments (bureaus) of the various provinces, municipalities, and autonomous regions that are responsible for handling the masses' letters and visits, last year they handled some 210,000 complaints lodged by the public in a variety of cases and rectified a number of mishandled cases to protect the legitimate rights of the masses. In Hebei and other places, branches under the public security forces that are responsible for handling letters and visits from the public helped the departments concerned investigate and handle cases involving the abduction of women and children, and helped them rescue a number of victims. Public security forces at various localities also earnestly satisfied requests made by the masses for investigations into deaths and traffic accidents, as well as solving problems related to residence registration, exit and entry, and searches for relatives and friends. They handled more than 610,000 of them last year. The various localities also strengthened the handling of such priority cases as those reported by informers who had provided reliable information in the past, those involving complicated issues, those reported to headquarters in Beijing, and those delegated by leaders. The Public Security Department of Jiangxi Province had a 100 percent success rate in solving its priority cases. In Heilongjiang, Zhejiang, and other places, the branches under the Public Security Departments that are responsible for handling letters and visits from the public repeatedly sent work teams to prefectural and county-level public security forces to carry out supervision and provide guidance in an effort to improve the speed and quality of case handling.

Last year, public security forces at various levels further strengthened their ability to handle letters and visits from the public. The leaders of many local public security forces took the work as their vital task and personally read over the masses' letters, received their visits, and took part in the study and investigation of complicated cases reported to them. Throughout the year, the leading comrades of the Public Security Bureau of Tianjin City read a total of 1,051 letters from the masses, accounting for 26 percent of all letters received. In Liaoning, Sichuan, Shanghai, and other places, the provincial public security departments (bureaus) and the

public security bureaus of some cities established and adhered to a system under which the leaders receive visits by the public.

#### **Official Urges Helping Students Do Social Work**

*HK1204042692 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 9 Apr 92*

[Excerpt] A national conference to share experience in establishing ties with units selected for college students taking part in social practice was held in Anyang city 9 April.

Teng Teng, vice minister of the State Education Commission; (Liu Qidao), member of the CPC Central Committee Secretariat; Wu Jichuan, deputy secretary of the provincial party committee; and 100 representatives from various provinces, cities, and autonomous regions attended the meeting.

Comrade (Liu Qidao) presided over the meeting. Comrade Wu Jichuan, on behalf of the provincial party committee and government, expressed appreciation for the meeting being held in Anyang and extended greetings to the participants.

Comrade Wu Jichuan also briefed the participants on Henan's economic development and cultural progress and current efforts to expedite reform and opening up, increase the momentum of reform, smash the three irons in the industrial field, lift four restrictions on commercial activities, [words indistinct] change government functions, and reorganize the organizational structure.

Teng Teng, vice minister of the State Education Commission, addressed the meeting. He said: Under the leadership of the central authorities and party committees and governments at all levels in various provinces, the departments in charge of propaganda and education, together with the Communist Youth League, have meticulously organized college students to take part in social practice over the last few years. We have made new progress in this respect and created new experience. We succeeded in organizing college students to help combat floods and provide disaster relief, conduct socialist ideological education in rural areas, [words indistinct]. The college students wrote over 1 million findings reports and created economic returns totaling 70 million yuan. Over the last few years, we have further institutionalized the practice, established ties with more units to carry out such activities, and built more bases to serve this purpose.

Comrade Teng Teng hoped party and government departments at all levels of various provinces would continue to regard helping college students take part in social practice as their responsibility. [passage omitted]

#### **Deng, Others Write Education Program Inscriptions**

*OW1604110292 Beijing XINHUA Domestic Service in Chinese 0923 GMT 15 Apr 92*

[By reporter Hu Xiaomeng (5170 2556 1125)]

[Excerpt] Beijing, 15 Apr (XINHUA)—To enable the million children annually in China's impoverished areas who are deprived of education to enjoy the basic right to be educated, the China Children and Teenagers Development Foundation today launched a new program—the "action of one million loves of the 'Project of Hope'".

The basic content of the new program is, through the "go-between" efforts of the China Children and Teenagers Development Foundation and "Project of Hope" establishments across the country, to establish direct contacts between those who donate to the program and children deprived of education in impoverished areas so that the former can provide specific aid to the latter until they finish primary school education.

According to the latest statistical data, since the "Project of Hope" was launched more than two years ago, donations equivalent to 12.32 million yuan have been received, and used to assist 40,000 children who did not have the opportunity to attend schools and to build 17 primary schools of "hope." The program, which has benefited both the state and the people, has been fully approved by the party and government. On 5 September 1990, Deng Xiaoping personally wrote the inscription "Project of Hope." On 12 November 1991, General Secretary Jiang Zemin wrote the inscription "Support the 'Project of Hope'; Show Concern for Children's Growth." On 22 March 1992, Premier Li Peng wrote the inscription "The 'Project of Hope' Helps the Poor and Benefits the People and the Future Generations Through Promoting Education." [passage omitted]

#### Ding Guangen Meets Late General's Relatives

OW1604111892 Beijing XINHUA Domestic Service  
in Chinese 0843 GMT 15 Apr 92

[By reporter Hu Qinghai (5170 3237 3189)]

[Text] Beijing, 15 Mar [as received] (XINHUA)—Some 300 people from various circles in the capital gathered at the Great Hall of the People this morning to commemorate the 100th birthday anniversary of Mr. Cai Tingjie [5591 1694 6946], a notable general during the war of resistance against Japan, patriotic and democratic figure, and outstanding founder and leader of the Revolutionary Committee of the Chinese Kuomintang.

The commemoration meeting was chaired by He Luli, vice chairman of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang. Leading comrades of the Standing Committee of the National People's Congress [NPC], National Committee of the Chinese People's Political Consultative Conference [CPPCC], and the General Political Department of the People's Liberation Army [PLA]; persons in charge of the United Front Work Department of the CPC Central Committee, State Physical Culture and Sports Commission, various democratic parties, and departments concerned; persons from various circles concerned; members and alternate members of the Central Committee of

the Revolutionary Committee of the Chinese Kuomintang in Beijing; and Mr. Cai Tingjie's good friends and relatives in China attended the commemoration meeting.

Mr. Cai Tingjie was a famous and patriotic Chinese general during the war of resistance against Japan. He was commander of the Kuomintang's 19th Route Army. When the Japanese imperialists attacked Shanghai in 1932, he led his men in the "28 January" Songhu Battle, which was well-known at home and abroad. Encouraged by the CPC's anti-Japanese policy, he signed an agreement with the Red Army to resist Japanese aggression and antagonize Jiang [Chiang Kai-shek]; and established the Fujian People's Government with Li Jishen, Chen Mingshu, and Jiang Guangnai in 1933, openly breaking with the Kuomintang government in Nanjing and gradually shifting his stand to cooperate with the CPC. After China won the war against Japan, Cai Tingjie was extremely discontented with the Kuomintang authorities, who launched an overall civil war against the Communists and the people. He vigorously engaged in the democratic revolution movement and organized the Chinese Kuomintang Association for Promoting Democracy with Li Jishen and others in March 1946. In January 1948, he was one of those who initiated the organization of the Revolutionary Committee of the Chinese Kuomintang in Hong Kong. That winter, he went to the liberated area in northeast China and then to Beijing to participate in the preparations for the session of the new CPPCC Committee. Following the founding of New China, he has assumed the posts of vice minister of the National Defense Commission [guo fang wei yuan hui 0948 7089 1201 0765 2585] and vice minister of the State Physical Culture and Sports Commission, and made significant contributions to the people's revolution and the cause of socialist construction. Mr. Cai Tingjie died in Beijing on 28 April 1968.

Before the commemoration meeting was held, Ding Guangen, alternate member of the Political Bureau of the CPC Central Committee, member of the Secretariat of the CPC Central Committee, and director of the United Front Work Department of the CPC Central Committee, met with Mr. Cai's relatives, who were in Beijing to attend commemorative activities for Mr. Cai Tingjie. During the meeting, Ding Guangen recalled and spoke highly of Mr. Cai Tingjie's deeds during the period of democratic revolution and socialist construction, as well as extending his cordial condolences to Mr. Cai's relatives at home and abroad. Ding Guangen said: Mr. Cai Tingjie was a well-known patriotic general, an outstanding patriot, and an excellent founder and leader of the Revolutionary Committee of the Chinese Kuomintang. He was a long-time intimate friend of the CPC, who stood with the party in the same storm-tossed boat for decades. Ding Guangen said: Mr. Cai Tingjie's whole life was one of loving the motherland, seeking truth, and making progress constantly. He devoted his whole life to the democratic revolution and the great socialist cause.

Jiang Minkuan, executive deputy director of the United Front Work Department of the CPC Central Committee, spoke at the commemoration meeting. On behalf of his department, Jiang dearly cherished the memory of Mr. Cai Tingjie and extended heartfelt respects to him. Jiang said: Mr. Cai Tingjie experienced different historical periods of the old democracy, new democracy, and socialism, and took the road from patriotism to socialism. His patriotism and historical contributions will be remembered by the people forever.

Also speaking at the commemoration meeting were Ma Wenrui, vice chairman of the National Committee of the CPPCC, on behalf of his committee; Li Ganliu, vice chairman of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang, on behalf of this central committee; Cheng Siyuan; Yuan Weimin; Rong Gaotang; Tan Yizhi; Jiang Jianguo, and Cai Shaozhi, representative of Mr. Cai's relatives. They reviewed the glorious life of Mr. Cai Tingjie and expressed the will to emulate and carry forward his patriotic and revolutionary spirit and his spirit of seeking progress constantly, so as to make a due contribution to rejuvenating China, the great cause of the motherland unification, and world peace and development.

### Economic & Agricultural

**Beijing Cooperates With Yunnan, Guangxi**  
*OW1604133892 Beijing XINHUA in English*  
*1320 GMT 16 Apr 92*

[Text] Beijing, April 16 (XINHUA)—The Beijing Municipal Government has sent a delegation to southwestern China's Yunnan Province and Guangxi Zhuang Autonomous Region to discuss co-operation in trade and tourism.

The Beijing Siwei Corporation has signed an agreement with Beihai city, Guangxi, on organizing the Beihai Free Trade Zone International Business Center and the Border Trade Development Company, with a combined investment of 24 million yuan.

The corporation has also signed an agreement with the Hekou county real estate company on construction of a border trade town between Yunnan and Vietnam, with an investment of 10 million yuan.

Beijing has also signed a number of agreements with Yunnan and Guangxi on developing tourism.

The Beijing Royal Garden Tourism Company has talked with Beihai city on developing a five-day tour of the nearby Beibu Gulf. It has also talked with Ruili county, Yunnan Province, on developing six tourism projects, including a seven-day tour from Beijing via Ruili county to Myanmar [Burma].

### More Statistics Bureau First Quarter Data

*OW1604132592 Beijing XINHUA in English*  
*1309 GMT 16 Apr 92*

[Text] Beijing, April 16 (XINHUA)—China has entered a period of rapid economic development characterized by a marked increase in production, booming construction and brisk market.

During a press conference held today, Zhang Zhongji, an official from the State Statistical Bureau, said that in the first three months enterprises above the township level recorded an output value of over 608 billion yuan, up 18.2 percent over the corresponding period last year.

In addition, state-owned enterprises listed in the state budget registered an 18.1 percent increase in profits over last year's same period.

The state government provided loans of over 20.7 billion yuan to boost agriculture during the first quarter of the year, an increase of 2.07 billion yuan. At the same time, the nationwide irrigation project resulted in the irrigation of an additional 520,000 hectares, while irrigation facilities were repaired on another 2.8 million hectares. All in all, the governmental actions have provided favorable conditions for agriculture development during 1992.

Statistics show that investments in fixed assets by China's enterprises owned by the whole people grew by 36.6 percent.

Meanwhile, the retail sales volume reached 265.9 billion yuan during the first quarter, up 16.3 percent, while price levels rose by only five percent.

According to Zhang, the state income increases during the first quarter exceeded expenditures, and individual bank savings rose by 84.9 billion yuan to 995.6 billion yuan by the end of March.

Zhang pointed out that the economic development has demonstrated that China has entered a period of rapid economic development and each economic sector is prepared for faster growth.

However, according to Zhang, China should pay close attention to problems which have arisen in regards to economic development. He said that industrial production has increased faster than expected and stockpiles of manufactured products continue to increase, and localities are seeking more funds for construction projects.

China should stick to the principle of a favorable balance in supply and demand under the macro-control policies of the state which strive for rapid growth under a highly efficient production structure, said Zhang.

**Dwindling Marine Resources Spur Planned Fishing**

HK1604071592 Beijing CHINA DAILY in English  
16 Apr 92 p 1

[By staff reporter Xie Liangjun: "China in Drive To Regulate Fishing"]

[Text] In an uphill fight to protect the country's dwindling marine resources, China is moving slowly towards planned fishing in its coastal waters—combining legal efforts with an education drive, officials said.

Because continuous over-fishing has depleted the fish in China's coastal waters, the government has made strenuous efforts over the past few years to regulate fishing with a series of laws and directives, said Gao Liming, an official of Bureau of Fisheries Management and Fishing Port Superintendence under the Ministry of Agriculture.

She said yesterday that many laws and regulations have been introduced since 1986 with the specific goal of switching from random fishing to licensed fishing.

China wrote its Fishery Law in 1986, and the following year wrote the rules for its implementation.

In 1987, the State Council asked local governments to limit the number of motor-driven boats for offshore fishing and introduced a permit system.

The Ministry of Agriculture issued a regulation last July stipulating that only boats with fishing licenses will be allowed to catch prawns starting each September 10 in the Bohai Sea.

For the four-year period from 1991 to 1995, Zhejiang provincial government has cut its output goals for marine aquatic products to 950,000 tons, a drop of 4.4 percent from the previous four-year period.

But the new restrictions have so far failed to produce the desired results, she said, mostly because fishermen and fishery officials are unaware of them.

She blamed it partly on the Chinese custom—prevalent among both fishermen and officials—of paying more attention to output than to quality of their catch.

Gao said that the government plans to gradually perfect its legal system on marine fishing while at the same time launching a drive to educate fishermen about the laws.

Gao expressed deep anxiety about the declining numbers of fish in Chinese coastal and territorial waters.

Her views were echoed by Yang Jinsen, deputy director of China's Institute of Marine Development Strategy under the State Oceanographic Administration, who said the fishing potential had dwindled in all coastal and territorial waters within 14 nautical miles of China's coastline.

Recently, most Chinese fishermen, discouraged by lean catches in the coastal areas, have to sail much farther out to sea and to invest much more in offshore fish farming in order to get bigger hauls.

Yang said that more and more small and simply-equipped fishing boats have joined the country's fishing fleet, taking whatever fish they can find, which means younger and younger fish are arriving on the dinner table.

Fishing of the popular greater croakers, lesser croakers or inkfish has come close to a standstill in the past few years, and the number of hairtails has shrunk dramatically.

In addition to unbridled overfishing, Yang pointed out, serious pollution of the marine environment also has damaged offshore aquatic resources.

Every year, about 8 billion tons of agricultural and industrial waste water and domestic sewage, most of it untreated, have been flowing into Chinese seas.

Yang warned the figure could double, reaching 16-17 billion tons by the end of this century.

The water pollution has already caused an increased number of red tides, a toxic condition that has killed large quantities of fish.

According to Yang, the potential is great for expanding the deep sea fishery in Chinese territorial waters with depths of 100 metres or more in both the East China Sea and South China Sea.

He urged detailed investigation of the country's fishery resources in these waters.

**New Overseas Markets Sought for Coal Exports**

HK1604062992 Beijing CHINA DAILY in English  
16 Apr 92 p 2

[By staff reporter Chang Weimin: "China Wants To Expand Coal Exports"]

[Text] China plans to increase coal exports to countries in Eastern Europe and the Middle East in a push to ensure its share of the world market.

Opening new overseas markets is an effective way to beat the competition and to keep exports on the rise, Huang Shaochen, vice-president of the China National Coal Import and Export Corporation (CNCIEC), said yesterday in Beijing.

Huang was speaking at the firm's three-day annual planning conference.

Attending the conference are some 220 officials from 10 government departments, including the State Council Production Office, the State Planning Commission, the Bank of China and the General Administration of Customs.

After years of efforts, Chinese coal exporters have established firm footholds in Asian countries and have increased trade with Western European nations.

In the past coal from China has gone mainly to Japan, South Korea, Taiwan, France, Italy and Germany.

But CNCIEC officials are not satisfied with these markets and want to extend exports to other countries and regions.

Huang, in an analysis of the world market, said a glut of coal remains as a result of Western economic stagnation and progress in energy-saving technology.

Because of severe competition on the world market, Huang said, China has to stabilize exports to Asia and Western Europe and open markets in other areas.

Huang did not detail his firm's 1992 export strategy but China Daily has learned that business negotiations are now underway with Mideast nations.

Huang urged his staff to seek new methods to increase coal exports, saying any trade routes are worth trying.

China last year exported some 20 million tons of coal, up 14 percent over the previous year. Foreign exchange earnings from coal exports stood at \$751 million, a rise of 12 percent.

Export volumes and foreign exchange earnings also exceeded the State plan by 12 percent and 26 percent respectively.

At the conference, Huang presented a draft plan for discussion, saying double-digit growth rates are this year's target.

Huang said the situation looks good for reaching these targets this year, adding that difficulties do exist.

In the first quarter of this year, China exported 4.77 million tons of coal, up 14 percent from the same period last year, but only 24 percent of the yearly target.

Huang said his firm will widen coal product variety and further improve coal quality.

He said exports of anthracite will increase this year as some countries, especially those in Europe, have successfully extended the use of anthracite from house heating to industries.

Last year, China exported 2.5 million tons of anthracite. About 44 percent of the coal will be used in industries.

#### XINHUA Views 1991 Foreign Trade Results

*OW1704095192 Beijing XINHUA Domestic Service  
in Chinese 0818 GMT 16 Apr 92*

[By reporter Zhang Yi (1728 3015)]

[Text] Beijing, 16 April (XINHUA)—Following acceleration in the pace of reform and openness, and improvement in the investment environment in China, foreign investors' confidence in China has been further strengthened. At present, another strong wave of foreign investment is sweeping across the mainland's coastal and inland regions; both the power of its momentum and the extent of its scope far exceed those that appeared in the two strong waves of foreign investments in the 1980s.

The ongoing new wave of foreign investment that began in 1991 is sustaining a strong momentum. Its major characteristics are as follows:

1. The extent of the increase in both the number and value of foreign investments in China has been unprecedented. In 1991, the number of businesses approved as the "three types of wholly or partially foreign-owned enterprises" and the contracted value of foreign investments in China reached the highest recorded levels since the implementation of reform and openness. In the first quarter of 1992, China has approved 4,172 businesses which are wholly or partially foreign-owned; contracted foreign investments amounting to \$5.583 billion; and reported actual foreign investments of \$1.079 billion, the figures representing respectively increases of 87 percent, 152 percent, and 86 percent over the same period in 1991.
2. The structure of foreign investments has gradually become more reasonable with increases in both high-technology industries and large-scale projects. Ninety percent of the newly approved "three types of wholly or partially foreign-owned enterprises" in 1991 have been categorized under industrial production; of this total many are considered technologically advanced and export-oriented. Foreign investors have also increased investments in capital construction projects including communications and energy resources. Joint venture projects including construction of some electric power plants in Shantou, Zhengzhou, and Hainan have also got underway. Meanwhile, other foreign investors have been keen to invest in construction of expressways, railways, ports, and harbors.
3. Sources of foreign investment have expanded. Other than countries and regions including Hong Kong, Macao, the United States, and Japan that have been investing in China, companies from Europe, Oceania, South America, and Asia have successively brought their investments to China.
4. The number of large-scale investment projects funded by internationally renowned major financial groups and corporations has gone up. The U.S. Motorola Company has recently invested \$120 million to establish a wholly-owned electronics production base in Tianjin's economic and technological development zone. Companies have invested in large-scale projects in China one after the other, including General Motors and IBM of the

U.S., Japan's Toshiba and Hitachi, Germany's Volkswagen Company, and Korea's Lucky-Goldstar, Samsung, and Dae Woo companies. Major companies established are: the Yiqi Dazhong Vehicle Company Limited with an annual production of 150,000 sedans, the Jinbei Tongyong Vehicle Company Limited with an annual production of 60,000 light vehicles, and the Guangdong Kinescope Company Limited with an annual production of 900,000 color kinescopes.

5. Foreign investments have gradually expanded into different sectors and geographical areas; they have engaged in real estate, retail businesses, information, and consultancy, with real estate a new attraction. In 1991 in Guangzhou City alone, there were 28 registered foreign-funded real estate enterprises with a total investment value of \$383 million. Opening up and development of Shanghai's Pudong have accelerated development of the whole Chang Jiang River basin, and have expedited the pace of openness in the coastal and inland regions. In addition, rapid improvement in the hard and soft investment environment as well as abundant natural resources in the inland regions have all combined as favorable factors attracting more investors. Inner Mongolia Autonomous Region, situated in the remote border regions, has approved the establishment of nearly 100 foreign-backed enterprises in 1991. In the first quarter of 1992, the inland regions have considerably increased the growth rate of foreign investments over previous years, and this growth rate was even higher than that achieved by the coastal regions over the same period.

6. Foreign investments have become more varied. Shanghai and Shenzhen have successively issued special shares in renminbi, providing another new form of share holding investment for foreign investors. Also, "The Temporary Regulations on Development and Management of Whole Pieces of Land by Foreign Investors," published by the State Council, have provided another new framework for foreign investors to invest in and develop whole pieces of land. At present, a development project on a whole piece of land covering 30 square kilometers in Hainan's Yangpu Development Zone is the largest land development project funded by foreign investors. Many development projects covering large pieces of land have appeared in Shanghai, Dalian, and the inland regions. Currently, Fujian Province alone has already approved more than 20 development projects on whole pieces of land.

While foreign investors have been increasing investments in China, foreign operators of China's existing "three types of wholly or partially foreign-owned enterprises" have also successively expanded production by bringing in additional investments. Foreign operators of the Shanghai Dazhong Vehicle Company, a Sino-German joint venture, will bring in \$200 million in new investment. Forty percent of the foreign operators of over 2,000 "three types of wholly or partially foreign-owned enterprises" already in operation in Fujian Province will increase investments in China.

To accommodate this new wave of foreign investment, special economic zones and coastal areas with a relatively large amount of foreign investment have already begun another round of infrastructural construction projects. The Nanpu Bridge, one of the 10 major projects of Shanghai's Pudong, was completed in 1991; and construction of the other projects has been progressing rapidly. During the "Eighth Five-Year Plan" period, Fujian Province will make concerted efforts to construct 98 major infrastructural and basic industrial projects so as to basically improve Fujian's overall investment environment. Moreover, while improving their hard investment environment, the inland provinces will further emancipate their minds and explore new ways of thinking so as to make bigger strides in reform and openness.

**Tian Jiyun Speaks at Foreign Trade Conference**  
*HK1604143192 Beijing GUOJI SHANGBAO in Chinese*  
*19 Mar 92 pp 1, 4*

[Speech by Tian Jiyun at a national conference on foreign economic relations and trade (24 December 1991): "Emancipate Minds, Do a Better Job in Foreign Economic Relations and Trade"]

[Text] Comrades:

The year 1991 was the first year for implementing the Eighth Five-Year Plan. Various foreign economic and trade businesses pointed to a gratifying situation of prosperous development. The new system under which foreign trade took sole responsibility for gains and losses operated smoothly. Exports continued to increase rapidly, imports gradually picked up, business order obviously improved, and economic returns increased. The utilization of foreign funds also returned to a good trend in development.

Based on the demand for attaining economic development's second-step strategic goal, work in foreign economic relations and trade must further emancipate minds on the basis of achievements we have already made; the work must be expanded in scope, continue to develop, climb to new levels, and create a new situation. At present, the world is in a transition period in which the old pattern is being replaced by a new one, but the old pattern has been broken, while the new pattern has yet to be formed, and the world is developing in a multipolar direction. Economic competition in the international community has also intensified. Various countries are striving for economic, scientific, and technological development in an attempt to secure a more favorable position in the test of comprehensive national strength in the future multipolar world. The future competition will mainly be a competition for comprehensive national strength and economic strength. In light of the situation, we must seize the moment and concentrate our energy on boosting economic development, and attain the national economic development's second-step strategic goal. This has a direct bearing on whether or not

our socialist undertaking can stand steadfast and establish itself in an unassailable position, and whether or not the Chinese nation can stand up on its own among the nations in the world when trying to thoroughly invigorate itself. It will take our country 100 years to attain the level of economic development that developed Western countries took 300 years to attain, and we must absorb as much as possible every achievement in civilization created by mankind, on the premise of self-reliance. Foreign economic relations and trade work is an important component of the national economy, as well as a link between the domestic and international market; it has a very special mission in this regard, and must play a larger role. Comrades must understand the significance of foreign economic relations and trade work from this vantage point, and enhance their sense of mission and urgency.

Concerning the country's 1992 trade and economic work, the Ministry of Foreign Economic Relations and Trade has made overall plans and has raised concrete demands. Here, I want to offer some ideas on three areas: foreign trade, utilization of foreign funds, and work in foreign aid.

#### **Strive To Maintain a Sustained and Stable Development in Foreign Trade**

The practice of the open-door policy has opened up a broad horizon for developing our country's foreign trade. According to General Administration of Customs statistics, in 1990, our country's import and export volume in foreign trade increased 5.3 times over 1978; the great result and speed drew the world's attention. Demanded by modernization and in view of the international situation, our import and export trade must maintain a higher and stable speed of development. At the 70th Guangzhou Trade Fair, I suggested that by 1996 our country's import and export trade should reach another new stage by attaining the goal of \$200 billion. This goal can be attained through hard work. The main reasons are as follows:

First, we have a good macroeconomic environment. That is, the 10-year reform has scored great results, lain a solid and firm economic foundation for our country. Rectification and improvement have also made marked achievements; at present, our country enjoys economic, political, and social stability. On the premise of adhering to the four cardinal principles, we will continue to uphold reform and opening up and build socialism with Chinese characteristics. At the meeting to mark the 70th anniversary of the 1911 Revolution, Comrade Yang Shangkun pointed out that reform and opening up may cause some risks, whereas stopping or even regressing would never be a way out. This rationale has already become a common understanding in the party and among the people. We must educate the broad masses of cadres so that they will fully understand the necessity and importance of reform and opening up, and that only by reform and opening up can we develop and advance. Otherwise, we will hardly be able to obtain a foothold in

the contemporary world. Our country will resolutely and unwaveringly advance along the road of reform and opening up; furthermore, our pace will be faster and our work will be more solid. This will make our country's economy more prosperous, thus creating better conditions for us to do foreign trade work well.

Second, we will continue to perfect and deepen foreign trade system reform. Beginning this year, we will cancel subsidies for exports, and foreign-trade enterprises will assume sole responsibility for gains and losses. Our export system is basically in accordance with the international norm; the practice is good and successful, and international evaluation of it is also good. Now, an urgent task is to reform the import management system. The current import management system relies mainly on administrative means and uses strict measures to examine and approve imports; furthermore, the work is highly dispersed and there are regulations issued by many departments, while examination and approval procedures are complicated to the extent that some import approval documents have 100 chops on them. This system is not beneficial to the optimization of the industrial structure and the coordinated development of imports and exports, nor is it beneficial to efforts to restore our country to GATT signatory status as soon as possible. There are many such departments dispatching personnel to man checkpoints, and what is the result? The result is that imports are still not properly managed. In some trades, construction projects are overlapping, and blind imports have been very serious, causing a huge surplus labor force, overstocking, and enterprises suffering losses. Some people rely on the unhealthy trend and small informal notes, and that they can have everything done, otherwise, they will have nothing even if they beg. Can we go on like this? This indicates that it is not effective to rely mainly on administrative means to examine and approve imports at different levels, and that reform is needed. We should not pay attention to exports alone; we should also pay attention to imports. Imports and exports should be mutually promoting and developed in a coordinated way. It will be impossible to import but not export, and we cannot export but not import. From exports we earn foreign exchange, which is used to import the things we need; when import work is done well, it can promote production and expand exports. We should properly handle the relations between moderate imports and protection of national industries. A certain degree of protection is necessary, but the purpose of such protection is for development, not for protecting backwardness. Importing advanced technologies and facilities from foreign countries, and moderately importing similar products from abroad can enable the enterprises at home to see how far they lag behind, and to seek improvement amid competition. This will greatly promote technological transformation and improvement of products within enterprises. After reform and opening up, many trades in our country have rapidly developed by importing and assimilating

advanced technologies, facilities, and management experience, and on the basis on continually making innovations; many goods that they imported in large quantities some years ago have now become important export products. Here we can see, necessary imports and effective protection can be united. We should seriously study how we can utilize the ways permitted by the GATT to provide the necessary protection to enable our protective measures to suit our country's situation on the one hand, and conform to the norms of international trade on the other. To reform the import management system, we must follow the principle that is beneficial to optimizing the industrial structure, promoting production and development in the country, and improving the people's standard of living; that is beneficial to coordinated development of imports and exports; and that is beneficial to restoring our country as a signatory to GATT as soon as possible, to gradually reduce and simplify various administrative procedures for examination and approval, and formulate careful import rules and regulations to replace current management methods. Imports, customs, and industrial policies must be combined, and we should gradually establish a mechanism in which industrial policy guides imports and tariffs regulate imports to prevent subjectiveness and arbitrariness as much as possible. Along with the reform of import system, our country's imports and exports will certainly develop in a coordinated way and embark on a good cycle.

Third, we have correct principles and policies for foreign trade. The contents of three main areas are discussed here:

First of all, we will diversify our market. We will make great efforts to explore and expand markets in developing countries, in the former Soviet republics, and in East European countries; we will quickly change the pattern of excessively concentrating our efforts to export to traditional markets. This has great significance for the promotion of stable development of exports in our country and for strengthening cooperation and unity with Third World countries. Therefore, we must earnestly diversify our market. It is possible to do so, and there are conditions. At present, our country's exports to developing countries, former Soviet republics, and Eastern Europe account for a very small proportion of their imports, and, in particular, account for less than 1 percent in African and South American countries. Although the Soviet Union has disintegrated, its republics still have to develop international trade after declaring independence. Judging from our current economic and technological levels, we have great potential for expanded exports to these markets. The crux is that we must improve our understanding and change our past business style of being only willing to make big deals in the traditional market and being unwilling to do "small" business in developing countries. When we explore markets in developing countries, we may encounter certain difficulties at the beginning, and the cost of establishing business may be higher, but once these markets are

opened and we have secured a foothold, we will probably earn larger returns than we earn from the very competitive big market. Moreover, through foreign aid programs, construction projects, and labor cooperation, we have established relations with Third World countries that are characterized by mutual trust and sincere cooperation, and this has lain a foundation for diversifying our export market. Therefore, we should integrate foreign economic relations work with foreign trade work better, as well as integrate imports with exports, to form an overall strong point, to explore new markets. When this work is done well, the level of foreign trade can be improved. Market diversification is not a matter for a region, a department, or an enterprise alone, nor is it a makeshift measure for a time or a stage; it is an issue that involves our country's overall political and economic interests. We must take swift action and, based on unified planning and arrangements, enthusiastically take the initiative, solidly begin work, strive for results in one or two years, and bring about obvious changes in our export market pattern. To guarantee the smooth implementation of a diversified market, the state will formulate some necessary incentive policies; relevant departments should actively coordinate with the policies and solve problems currently existing in the areas of credit, long-term discounts, insurance, communications, and transportation.

The second area is that we will depend on quality to win the battle. Whether our country's good image of foreign trade, reform, and opening up can be maintained, whether the superiority of the socialist system can be fully developed, and whether enterprises can acquire the best returns through international exchanges is closely related to the quality of exports. In an increasingly competitive international market, and under the worsening condition of trade protectionism, without high-quality goods we will hardly be able to keep the markets we have already secured, not to mention explore new markets. We should fully understand that the quality of exports and the quality of sales and services is the livelihood of foreign-trade enterprises, and we must take action in this regard. In all of society, we must continue to form a public opinion environment in which importance is attached to quality, and we must enhance a sense of quality among the people. In the past few years, we have made a major effort to tackle the problem of export quality, and have scored some results. However, judging from the overall situation, the problem of poor quality and the low grade of our exports has not basically been solved. We should realize that the big increase in our country's export trade in the 1980s was made possible by labor-intensive products. In the 1990s, the international market will have a higher demand for quality, grade, variety, and design of goods; and competition will be very fierce. Comrades in foreign-trade enterprises and enterprises producing exports must attach great importance to the quality of goods. To implement the principle of "depending on quality to win the battle," we should not stagnate at the level of meetings, documents, and words; but must formulate measures of a restraining

nature. Approval for the quality of exports is a very good system, and we must make earnest efforts to establish it. We must use the "four irons" spirit of iron face, iron heart, iron hand, and iron discipline to deal with fake and poor goods; and we must not tolerate, indulge, or drop the case just by giving a little bit of criticism or a notice. We must broadcast the case on national television, reveal it in newspapers, and look into the legal responsibility. Implementation of the principle of "depending on quality to win the battle" is a common duty for economic and trade, production, and commercial inspection departments. The relevant quarters must support each other, closely cooperate, do their own job, and strictly observe discipline to really be able to ban disqualified goods from coming out of factories, from being purchased, and from being shipped abroad. Whenever a link poses a problem, we must pursue the responsibility of the unit or person concerned.

The third area involves the policy of tax refunds for exports. Tax refunds are an important means by which to support export expansion, and will have a more crucial role after the new foreign trade system's implementation, and I have time and again talked about the need to do a good job in the work in tax refunds for exports. First, tax refunds must be complete, and implementation of the tax refund policy must be resolute. Exports are for earning foreign exchange; their contribution to the state is the foreign exchange they earn. Moreover, exports support production at home, and correspondingly increase financial income. Of course, the lower the cost of earning foreign exchange, the better, and we must struggle for profits; but if we use taxed goods to earn foreign exchange, the competitive ability will be lost. Although we have a plan of tax refunds for exports, that is, a "cage," this "cage" should not be an "iron cage," but should be a "rubber cage." The yearend balance should be calculated on the basis of the actual result of exports, and taxes should be refunded according to the actual results. Second, tax refunds for exports must be made according to the facts. No cheating for tax refunds is allowed, for that is illegal, and the serious cases will have their legal responsibilities pursued and will be punished by law. In some localities, methods for cheating on tax refunds are very vicious; fake bills and receipts are used to report a volume larger than is actually the case, or to report something that is a creation from nothing, to make a fortune by cheating. We must seriously handle offenders and should not just give them notices and let them walk away.

#### We Must Continue To Actively and Effectively Utilize Foreign Funds

Our country is a developing socialist country and the overall economic development level is relatively low, while accumulation of capital is rather limited. The shortage of capital will for a long time limit our country's modernization. The open-door policy and utilization of foreign funds are of great significance in enhancing our country's self-reliance ability and ability to compete in the international community, as well as to attaining the

national economic development's second-step, or even the third-step, strategic goal. Since reform and opening up, by the end of October 1991, a total of \$73.12 billion in foreign funds has been used by our country, of which foreign loans were \$51.8 billion, and direct foreign investment was \$21.94 billion. By utilizing foreign funds and importing advanced technologies and management experience, we have made up for the country's funds shortage; strengthened the national economy's weak links; promoted technological advancement and adjustment of the industrial structure and product mix; and improved the technologies for making automobiles, elevators, computers, color televisions, audio equipment, communications facilities, food, drinks, instruments, meters, and glass. The absorption of foreign funds has also functioned positively in increasing the state's financial income; creating jobs; enhancing cooperation between the mainland, Hong Kong, and Taiwan; and reunifying the country. Some comrades think that the rate of utilization of foreign funds in our country is too fast, and they are afraid that the foreign-funded enterprise sector will shake the predominant position of the socialist public ownership system. This view is not comprehensive. Our country is a developing country with a serious shortage of funds and backward equipment and technology; if we do not import foreign funds and technology, we can only slow down our development, and eventually hardly find a place to stand in the contemporary world. The practice since reform and opening up, especially the practice in the special economic zones and the open coastal zones, has proved that we are completely able to comprehensively use legal, administrative, and economic means to direct the three kinds of foreign-invested enterprises [wholly foreign-owned, joint-venture, and cooperative enterprises] to the track of socialist planned commodity economy for development. Basically, our country's foreign funds utilization is still at the beginning stage; it is not a matter of too much, it is a matter of too little. In the future, we will continue to actively and effectively utilize foreign funds, and seek loans from international financial organizations and foreign governments as much as possible. We will further improve our investment environment and, on the basis of properly running the currently existing three kinds of foreign-invested enterprises, attract more foreign businessmen to China to invest. This is an important aspect of opening up to the outside world, and we should not hesitate or waver a bit.

At present, an important task is to improve the quality of projects invested in by foreign businessmen (including economic returns and technological level), and enable them to develop to a higher level. For this reason, we must do well the following three tasks:

First, based on the country's industrial policy, we will rationally plan and direct foreign funds to agriculture, energy, communications, and other hotly sought raw materials and industries; and we will pay attention to improving the quality of the projects invested in by foreign businessmen. At present, some localities and

departments are pursuing an increase in the quantity of foreign funds alone, and view this as one of the criteria for judging the degree of their openness to the outside world and the local governments' merits; they put selection and quality of projects in a lesser position. This reflects that, in these localities, the foreign funds utilization standard is not high, leading to irrational foreign investment structures and low-standard and overlapping projects. Many foreign-funded enterprises belong to ordinary processing projects, with a low technological level and small-scale investment; without being strictly screened and discussed, some projects have been launched and have intensified the shortage of energy and raw materials, and their products are not competitive enough to enter the overseas market, but can increase pressure on the domestic market. We must take earnest and effective measures to solve the problem. First, we must establish the correct guiding thought and change the emphasis from quantity to quality in using foreign funds. From now on, when we judge the merit of a place or a department in using foreign funds, we will not only look at how much foreign funds have been absorbed and how many projects have been set up, but at whether the established projects are in accordance with our industrial policy, and whether they have higher technological levels and economic returns. Second, we will tighten macroeconomic control, integrate the preferential policy of using foreign funds with the industrial policy, and encourage the launching of projects that are in accordance with the country's industrial policy, especially projects with large-scale investment and advanced technology and those that can keep introducing technologies from abroad. Regarding the ordinary processing projects with small-scale investment and low technology, the preferential policy must be moderate and attention must be paid to preventing haphazard development. Third, we will actively create conditions to attract to China to make investments international companies and major enterprises that have huge financial strength, advanced technology, management experience, and worldwide marketing networks. This is of great strategic significance for us. Our market has great potential, and it is possible to attract some large enterprises from the developed countries to China to make investments. At the same time, we will strengthen investment cooperation with Taiwan manufacturers. In recent years, the number of Taiwan investors coming to the mainland has increased rapidly, and this has created more favorable conditions for attaining the great undertaking of the motherland's reunification as soon as possible. In the past, economic cooperation between the mainland and Hong Kong was concentrated in the coastal areas, with many small-scale labor-intensive processing projects; although it was helpful in creating jobs, in reality, we only received some processing fees, and sometimes we were only assigned to do the final processing, and the processing fee was even less than 1 percent of the commodity's price, while the export quota was calculated on our side, causing trade conflicts. This kind of project will be affected when we implement the place of origin regulations. We must properly handle this

problem. From a long-term perspective, we should more effectively use the investment environment and cooperation basis which have taken shape to give full play to our country's superior technological strength and labor quality; to grasp the opportunity arising from the changing economic pattern in Hong Kong; to use its favorable conditions, such as abundant capital, quick information, and convenient transportation; to propel investment cooperation between the mainland and Hong Kong to a high-tech level.

We must earnestly correct the trend of attaching importance to examination and approval procedures and not to management, strengthen management over foreign-funded enterprises, and properly run the currently existing three kinds of foreign-invested enterprises. Now, foreign investors always take the business situation of the three kinds of foreign-invested enterprises as an indicator of a good or bad investment environment. At present, quite a number of the three kinds of foreign-invested enterprises are losing money, which has already aroused concern at home and abroad. However, in reality, many of the losses are false, because these losses are fabricated by foreign businessmen who have control over imports and are able to "shift profits," and evade taxes legally with their "deficits" accounts. This shows that management over foreign funds is still weak and that there are many loopholes. In the future, we must strengthen management over the three kinds of foreign-invested enterprises and take this as a very important content of the work in utilizing foreign funds; we must seriously investigate and study the situation, formulate and improve the relevant laws and regulations, improve the auditing system and taxation supervision, and really create benefits for the country and both the Chinese and foreign sides in joint-venture enterprises. We must also seriously train high-caliber management personnel who love the country and know foreign languages, law, technology, and marketing; and we must improve the quality of the labor force. This is an important factor in improving the returns on business among foreign-funded enterprises, as well as an important item in improving the investment environment. With qualified management personnel, we can more effectively manage enterprises with Chinese and foreign funds, eliminate weaknesses, and develop the strong points.

Third, we must continue to improve the foreign funds utilization policy. Judging from the situation's development and past experience, if we want to attract powerful enterprises or enterprise groups from abroad to our country to invest, launch influential projects, and bring in advanced technologies, we must formulate more attractive policies. The Foreign Economic Relations and Trade Ministry has proposed researching the problems of exchanging technology for markets and expanding the scope of introducing foreign capital; we should attach importance to this. Our country has formulated a series of relevant policies, which have played a role in encouraging foreign businessmen to invest. But the most attractive thing to foreign businessmen is our country's big

market. We must use this strong point and skillfully utilize part of our market to attain our country's strategic intention of utilizing foreign funds. Concerning foreign-funded projects, especially projects involving advanced technology, we must increase the proportion of the sales of their products on the domestic market. The preference enjoyed by state-run enterprises in our country should be gradually made identical to that enjoyed by the three kinds of foreign-invested enterprises; our country's price system is undergoing reform, and restrictions on the prices of most commodities have been lifted; and after several adjustments, the difference between the official exchange rate and the market regulation exchange rate has narrowed down to a difference of merely 7-8 percent. All these have laid a foundation for lifting more restrictions on the sales of products produced by the three kinds of foreign-invested enterprises in the domestic market. We have to reform, open up, and advance, and there cannot be no risks. What is important is that we dare to practice, sum up our experiences and lessons in practice, and keep correcting the direction for advance; then we will have hope. If we are afraid of risks and do not advance, there is no hope.

#### **Continue To Do Well Foreign Aid Work**

Generally speaking, concerning foreign aid work over the past 40 years, the upper and lower levels in the country have made great efforts and scored marked results. Through foreign aid programs, we have supported Third World countries in fighting for and safeguarding national independence, opposing foreign aggression, and developing their national economies; and this has played an important role in enhancing the friendship between our people and the peoples in the aid-receiving countries, and in strengthening unity and cooperation with Third World countries. At the same time, through aid programs in building complete sets of projects, we have established a good reputation in many developing countries, accumulated experience in construction abroad and in providing technological services, and trained a large number of people for economic cooperation with foreign countries; thus, laying the foundation for expanding economic exchanges with foreign countries and for launching various kinds of economic and technological cooperation.

In recent years, great changes have taken place in the international situation. We now face complicated struggles in the international arena, and it now becomes more urgent and important than in the past to do well foreign aid work. Various places and departments, and all units entrusted with the duty of foreign aid, should attach more importance to, and support, foreign aid work; they should make efforts to accomplish various duties of foreign aid promised by the country.

First, we must fully understand the importance of further doing well foreign aid work under the current international situation. It is our country's basic policy, which has been upheld for a long time, to provide aid within our capacity to Third World countries. Why must

we do it when we have a shortage of money? For years comrades have asked this question. It should be pointed out that strengthening unity and cooperation with Third World countries is the foundation stone of our country's foreign policy. The Third World has more than 100 countries, constituting an important force for opposing hegemony, safeguarding world peace, and promoting economic development in the world. An international status such as ours today is inseparable from the Third World countries' support. When the international anti-China forces tried to block and isolate our country, and in the struggle for restoring China's legitimate seat in the United Nations, Third World countries gave us sympathy, support, and help. Some comrades just look at our help to others, but not at the help and support given to us by others, and this is not right. The history of the development of our relations with foreign countries has proved that foreign aid is indeed an indispensable strategic expenditure. In the 1960s, Chairman Mao first proposed this point. In 1979, when reform and opening up just began, Comrade Deng Xiaoping responded to various discussions on foreign aid in the country at the time, and profoundly pointed out: "We should affirm that our past aid to the Third World was correct. Our country has economic difficulties, but we still have to allocate a necessary amount of foreign aid money. Speaking from the strategic point, when we are really developed, we must allocate a handsome amount of money to help them. China should not forget this point after it has developed. On the foreign aid problem, the principle must be upheld, and basically the aid policy still follows the eight principles (referring to the eight principles of economic and technological aid to foreign countries), but the concrete methods must be applied to enable the aid-receiving countries to have real benefits." These words by Comrade Deng Xiaoping fully affirmed the past foreign aid work on the one hand, and clearly pointed out the direction for future development on the other. Comrades must seriously study and understand these words. No matter how the international situation changes, our basic foreign aid policy will not change, and the foreign aid money will be spent. Based on the current changes in the international situation and the need for diplomatic work, the scale of foreign aid should be appropriately increased, step by step. By doing so, it will be helpful to further strengthen unity and cooperation with Third World countries, securing a peaceful international environment for socialist modernization construction, and allowing our country to play a bigger role in the future multipolar world; its meaning is great and profound.

Second, we must strictly observe the eight foreign aid principles, and further do well foreign aid work. In the past several decades, we scored big results in foreign aid work and produced a great influence on the Third World, and there were many reasons for the success, but the basic reason was that we always upheld the eight foreign aid principles. Our aid was not attached with any conditions and we never interfered in the internal affairs of the aid-receiving countries or imposed our views and

demands on them; our foreign aid workers treated the peoples in the aid-receiving countries on an equal basis, strived hard, worked diligently, and sincerely helped them in construction. It was precisely this kind of policy and practical action which won the trust and praise from the governments and peoples of the aid-receiving countries. Since the announcement of the eight principles, our foreign aid work has developed greatly in depth and breath, in spite of many changes in the domestic and international situations. Although we have adjusted the distribution of foreign aid and changed the concrete contents and styles of aid programs, these principles have clearly embodied the characteristics of socialist China, and will remain the basic standard guiding our country's foreign aid work. In actual work, we will continue to strictly abide by the eight principles, and this will have great significance to further improving socialist China's international image, unifying with Third World countries, and implementing the diversified market strategy.

Third, we must reform the aid pattern, strengthen management, and enable the limited amount of aid to play a bigger role and have bigger results. The traditional pattern in which our government provided loans to aid-receiving countries and carried out intergovernmental cooperation in construction in the past, can no longer completely adapt to the changes in the situation, and must be reformed correspondingly. The type of projects to receive aid is a problem we must seriously study. On the premise of continually summing up experience, we must search for an aid plan which is suited to our country's reform and opening up and to the actual conditions in the aid-receiving countries. At present, our country's financial ability is not very strong, and we cannot allocate a large amount of money; if proper arrangements are made for spending, a small amount of money can do big things, and the same amount of money can have better returns and produce greater influence. Various departments and local authorities, especially departments in charge of economic and trade affairs, units contracting for foreign aid programs, and construction units, must suit the changes in the situation and the need of reform; strengthen education on internationalism and patriotism for cadres, staff, and personnel going abroad for foreign aid work; and unify their thoughts and understandings according to the principle and policy of foreign aid announced by the central authorities. Various local governments and relevant departments must strengthen leadership for foreign aid work. They should give the necessary support to the units which are entrusted with missions, urge them to seriously implement the state's foreign aid policy and the relevant regulations, and help them solve the difficulties and problems arising from work. When implementing economic aid programs, various units which have shouldered foreign aid duties must always put safeguarding the country's reputation and interests in the primary

position. They should strictly observe the eight principles, seriously fulfill the agreements signed by our government to help foreign countries, and accomplish foreign aid missions according to schedules, with quality and quantity guaranteed.

In the past 40 years, all the achievements in foreign aid work were inseparable from the hard efforts by the broad masses of personnel who went abroad for foreign aid programs. They shouldered the important duties entrusted to them by the people of the motherland, lived far away from their motherland and relatives for a long time, and built various projects to help the friendly countries; they feared no difficulties, dangers, or obstacles; worked selflessly, triumphantly accomplished the missions entrusted to them by the country; and won high reputation for the motherland. Several hundred experts lost their lives while implementing aid programs; they will be missed forever.

In the new historical period, I hope that the new generation of foreign aid personnel will enhance the sense of glory and responsibility, and inherit from and carry forward the outstanding tradition of the old generation of foreign aid experts, who cherished hard work and plain living, wholeheartedly served the construction undertakings in the aid-receiving countries, seriously passed on technologies, treated themselves as equals to the locals, shared joys and sorrows with them, and were extremely responsible to their work, working hard to foster friendship between the Chinese people and the peoples in Third World countries, to help the aid-receiving countries to develop their economies, and to win glory for the country.

Comrades: Foreign economic relations and trade work is a comprehensive work, which is closely related to the development of various localities and businesses. Since reform and opening up, our country's foreign economic relations and trade undertaking has greatly developed and this is a result of the common efforts by various mutually supporting localities and departments. I hope that the comrades of various localities and departments will continue to develop the good tradition of coordination, care about and support the development of economic and trade undertaking, and enable it to play a bigger role in national economic construction. The deepening of reform and opening up and the sustained and stable development of the national economy have created a better macroeconomic environment for the stable development of the foreign economic and trade undertaking. The enhancing of the sense of opening up among the broad masses of cadres and people has also laid an ideological foundation for developing the economic and trade undertaking.

I believe that, as long as the economic and trade system comrades maintain a high degree of sense of political responsibility, emancipate minds, strive to break ground, and courageously advance, surely we can ceaselessly push forward our country's foreign economic relations and trade undertaking.

**East Region****Anhui Paper Commentary Advocates Deng's Line**

*OW1704044892 Hefei ANHUI RIBAO in Chinese  
10 Apr 92 p 1*

[ANHUI RIBAO commentator's article: "Strictly Forbid Empty Talks, Grasp Actual Work in a Solid Manner"]

[Text] Empty talk will harm the country and its people, while doing actual things can prosper the country and the province. This has been proven by historical experience and actual life. The party Central Committee and Comrade Deng Xiaoping repeatedly warned us recently that it is imperative to do more actual things, speak less empty words, and strictly forbid the practice of formalism. The general policy of deepening reform and further opening up to the outside world has been decided, and the blueprint for speeding up economic development in this province has also been clearly set, so now the most important thing is to concentrate our efforts to grasp the implementation of actual things.

One step of doing actual things is more important than a dozen documents of programs. If we only talk about things and do nothing, the best programs, policies, blueprints, and ideas are all just like castles in the sand—useless and impractical. Victories of revolution and construction are all results of doing actual things, not results of "speaking with fervor." If we want to speed up the pace of reform and opening up and further improve the economy within a relatively short period, we must adhere to the ideological line of seeking truth from facts and carrying forward the fine style of doing practical things. We must strictly forbid empty talk, grasp actual work in a solid manner, go to the frontline to direct fighting tasks, carry out investigation and study, give specific guidance, and promptly find out and constantly solve new problems that have emerged from reform and construction work. Only in this way can we truly implement various tasks and achieve the best results in our work.

Shall we stay at the high level and talk about empty words or shall we probe deeply into the essence of things and grasp actual work in a solid manner? These are not merely questions of methods of thinking and work styles, but they are issues of whether we can firmly adhere to the party spirit of proletarian vanguards and the Marxist thinking of seeking truth from facts. In recent years, some comrades really have had the problem of practicing formalism. They constantly indulge themselves in "numerous writings and meetings," speak a lot and do little things, talk about things loudly but do not tackle things in a solid manner, or even "make much noise but take no action at all." There is also a small handful of comrades who only seek after fame and do superficial things. They are enthusiastic in "having their names published in newspapers, having themselves shown on television, and having their voice heard on the radio." They have become increasingly well-known, but their

actual work is sloppy and without vigor. We can imagine what kind of outside reaction there is toward these people. It should be pointed out that this kind of superficial work style is definitely not the intrinsic work style of we communists. We communists attach great importance to seeking truth from facts, proceeding with everything from reality, doing things in a serious manner, dedicating all our efforts to work, and taking up responsibility in our work. Therefore, we communists most dislike and oppose "false, pretentious, and empty" things. Formalism is also a kind of bureaucracy. Formalism can cover up the ugliness of and promote bureaucracy and "intimidate the people." The problems of formalism and bureaucracy will make us divorce reality and the masses, harm the cause of the party, and endanger the healthy body of the party. Therefore, we must consider formalism and bureaucracy as "passing rats" and everyone should "beat" them and eliminate them.

Formalism is also a form of chronic and stubborn disease. To solve the problem of formalism of certain comrades, we should conduct education, have the higher leading organs constantly check and supervise the work of lower level units, and establish and improve related evaluation systems for cadres. Toward those cadres who like to speak empty words, do superficial things, and are derelict in their duties, we should criticize or punish them. Toward those comrades who grasp actual work in a solid manner and have made achievements, we should commend, encourage, and promote them promptly. Only with a clear reward and punishment system can we treat those honest comrades in a correct way and help those "dishonest" comrades become honest. In this way, we will be able to encourage all people to work in a solid manner and foster the good custom of vying with each other to make outstanding achievements.

Reform and opening up to the outside world are unprecedented pioneering undertakings, and economic development is a very practical, concrete, and complicated system of engineering work. To achieve our desired goals, we must work hard and do meticulous work at each step. As long as we closely integrate the dashing spirit, courage, and insight of reform with the work style of persistently grasping actual work in a solid manner, can we certainly turn the blueprint for invigorating the economy of this province into a living reality.

**Chen Guangyi Addresses Committee Plenary Meeting**

*HK1604040192 Fuzhou FUJIAN RIBAO in Chinese  
12 Mar 92 p 1, 3*

[Report: "Fujian Provincial Party Secretary Chen Guangyi Addressed Fourth Plenary Meeting of the Seventh Xiamen City CPC Committee"]

[Text] Today, at the Fourth Plenary Meeting of the Seventh Xiamen City CPC Committee, Fujian Provincial CPC Secretary Chen Guangyi fully affirmed the achievements of Xiamen Special Economic Zone [SEZ]

in construction over the past 10 years and analyzed the present international and domestic situation and the favorable opportunities for developing the economy. He stressed that the broad masses of party members and cadres should further emancipate their minds, see where they lag behind, speed up their pace, take great actions, make concerted efforts, and promote a takeoff to push forward construction in the Xiamen SEZ in a faster and better way so giving impetus to the further development of our province's reform, opening up, and economic construction.

Jia Qinglin, provincial party deputy secretary and governor, also made an important speech at the meeting. Wang Jianshuang, member of the provincial CPC Committee Standing Committee and director of the organization department, was present at the meeting.

Chen Guangyi said: Xiamen SEZ occupies the highest position in our province's opening up to the outside world. Since the establishment of the SEZ and, in particular, Comrade Deng Xiaoping's visit to Xiamen in 1984, in accordance with Deng Xiaoping's instructions on "Running the Special Economic Zone in a Faster and Better Way," we have mobilized forces in various quarters to support construction in the SEZ. With a high sense of responsibility and strong desire for progress, cadres at all levels and the broad masses of people in Xiamen have spared no efforts to throw themselves into construction in the SEZ. Thanks to the strenuous efforts exerted over the past 10 years, we have now built our SEZ into a socialist SEZ characterized by a comprehensive industrial system, a comparatively developed export-oriented economy, an initial development of tertiary industry, and a marked improvement in people's living standards. The past 10 years of the Xiamen SEZ have been 10 years of working hard to make progress and tremendous achievements in all aspects of economic and social development.

Chen Guangyi stressed: While affirming our construction achievements in Xiamen SEZ, we should value our hard-won achievements. In the meantime, although the present situation is favorable, there are grim aspects. Generally speaking, the present situation is characterized by a coexistence between opportunities and challenges and between hope and difficulties. As far as the international situation is concerned, although sudden changes have occurred amid turbulence, peace and development are the two main trends in the world. It is completely possible for us to win a peaceful international environment which will exist for a fairly long period. A global readjustment of production structures is in progress. This is also a good opportunity beneficial to our economic development. As far as our internal situation is concerned, the three-year economic improvement and readjustment have been basically completed and our economic order has been markedly improved. According to the economic laws governing development, in the course of economic growth, it is completely possible for a new takeoff to occur after a comparatively stable stage. In the course of development, a period of growth at top

speed, or several stages of speedy development have occurred in some countries. At present, conditions for speeding up economic development exist. We must firmly grasp the present favorable opportunity to develop ourselves and the economy. The situation is both encouraging and pressing. Now, countries and regions around us are speeding up their pace in opening up to the outside world. They are vying with one another to attract foreign capital with various preferential policies. In particular, we should know that various areas throughout the country are implementing important speeches by central leading comrades and proletarian revolutionaries of the older generation. A new wave of reform and opening up is rising rapidly throughout the country, and the atmosphere is becoming keener and keener. Under such a situation, we are increasingly aware that we shoulder a heavy task and that we should do everything possible to speed up the pace of development. If we stick to old ways or stand still and refuse to make progress, we will be like a boat sailing against the tide. If we fail to forge ahead, we will be driven back and will let down the central authorities and all the people of the province who have placed high hopes on the construction of the SEZ. Therefore, we should truly enhance our sense of mission, sense of responsibility, and sense of urgency to accelerate the pace of construction in the SEZ so that our Xiamen SEZ can play a still greater role and make a still better contributions to the reform and opening up of the whole province. Chen Guangyi stressed that we should further emancipate our minds and see where we lag behind. He said: An important speech made by Comrade Jiang Zemin in December last year at a rally to celebrate the 10th anniversary of the establishment of the Xiamen SEZ is an essential guide for carrying out well the construction of the SEZ and promoting opening up and other work. Recently, central leading comrades and proletarian revolutionaries of the older generation made important speeches on firmly and unwaveringly implementing the party basic line of "one center and two basic points", speeding up the pace of reform and opening up, concentrating our efforts on boosting economic construction, and so on. Their speeches, which have substantial content and are specifically aimed at, are politically and ideologically strong. They are of profound importance to socialist modernization as a whole and are of direct significance to the effective guidance of construction in the SEZ. Therefore, studying, comprehending, and implementing these important speeches is a matter of primary importance in our present political life. Proceeding from the high plane of the overall situation of construction in the SEZ, the Xiamen City CPC Committee must conscientiously grasp this matter of primary importance. Members of the city CPC Committee must first of all take a lead in the study and personally organize and lead the broad masses of party-member cadres of the whole city to participate in the study drive. In their studies and discussions, they must pay attention to profoundly understanding and accurately grasping the essence of these speeches to promote the further emancipation of their minds.

Chen Guangyi added: In the 1990's, our province's strategy for opening up is "expanding the northern and southern parts, blossoming the central part, carrying out large-scale development, and promoting cooperation between mountain and coastal areas for common development." Xiamen occupies a very important position in the implementation of this strategy. It must play a good role as a "window" and base of the opening up and serve as a good "file leader" in reform and opening up to build the SEZ as quickly as possible into a comprehensive and export-oriented socialist SEZ which relies mainly on industry, takes science and technology as its guide, has developed tertiary industry, and is an international and modern port city. The Xiamen SEZ must also coordinate with Quanzhou and Zhangzhou to speed up the pace of construction in the triangular area of the southern part of Fujian, open up the western part, and radiate all over the province to push forward reform, opening up, and the economic development of the whole province. Fulfilling this target of struggle is not only an objective demand of the development of the Xiamen SEZ, but is also a common desire of the people of the whole province. Therefore, the Xiamen SEZ must develop new thinking, explore new ways, and take some major actions to speed up the pace of reform, opening up, and economic development, break through in the implementation of certain policies for free ports, and push the work of combining investments from abroad with lateral ties at home to a new level. It must make substantial progress in developing economic and trade relations between Fujian and Taiwan; promote the "three exchanges" between the two sides of the Strait; take still bigger steps in market development; vigorously promote reform in state-owned enterprises; score still greater achievements in transforming enterprises and old cities and towns; take the lead in exploring ways for political structural reform with the emphasis on changing the functions of organs; and take still greater step in striving for preferential state policies for SEZs. In the meantime, the provincial authorities must delegate administrative jurisdiction to lower levels to the maximum extent, and Xiamen City must also delegate its powers to counties and districts.

Chen Guangyi stressed: The Xiamen SEZ is a special zone of the whole country. But it is primarily a special zone of Fujian. It is a "window," "base" and "file leader" for the reform and opening up of the whole province. The achievements and efficiency of the Xiamen SEZ concerns not only the image and reputation of Fujian, but also the process of economic development in the whole province. The present great achievements of the Xiamen SEZ are inseparable from the concern and support of the whole province. Therefore, speeding up the pace of the construction and development of Xiamen is not only a task for the city, but is also an important task of the provincial CPC Committee, provincial government, and various departments directly under the provincial authorities. The whole province must support the SEZ, whereas the SEZ must radiate all over the province and serve it. This is the overall situation of our reform and opening up. The whole province must take

the situation as a whole into consideration, actively support construction in the SEZ, and make concerted efforts to run the Xiamen SEZ in a still faster and better way so that it can reach a new takeoff. Chen Guangyi said: To support our efforts to run the Xiamen SEZ well, the whole province must first attach true importance to the strategic position and role of the Xiamen SEZ in the reform and opening up of the whole province and help the SEZ solve problems arising in reform. Various departments directly under the provincial authorities must conscientiously regard the SEZ as an experimental base for their reform and opening up, support bold experiments in various fields, sum up experiences, and popularize methods which have proved successful in practice. Second, the whole province must support the Xiamen SEZ in using well the various policies and measures provided by the central authorities so that it can have greater decisionmaking power and flexibility in reform and opening up. It is necessary to increase the weight of reform, give full reign to the stamina of opening up, carry out bold explorations, and make efforts to establish a highly effective and flexible administrative system and economic operational system which conforms with the development of an export-oriented economy. Third, organs directly under the provincial authorities must take the initiative in conscientiously suggesting ways and means for speeding up the development of the Xiamen SEZ. Proceeding from their own characteristics, they should offer more good advice and suggestions, show more concern, give more support to the SEZ, and exert concerted efforts to maintain the exuberant stamina of the SEZ.

Chen Guangyi also said: The Xiamen SEZ must also foster an idea of coordinating all the activities of the province as in a "chess game" to serve the reform, opening up, and economic development of the whole province, broaden its vision, consider things from a higher plane, do everything possible to make the "cake" bigger, understand well and support the work of various departments directly under provincial authorities, coordinate well relations of various quarters, and take the initiative in securing vigorous support from the relevant quarters.

In conclusion, Chen Guangyi emphasized: In the whole process of reform and opening up, it is necessary to persist in "grasping things with two hands." We must grasp the struggle against corruption as a matter of primary importance. In the course of grasping the building of material civilization, we must never relax our efforts. While pushing forward reform and opening up, we must make efforts to strengthen education for party members, cadres, and masses. We must uphold the four cardinal principles, resolutely resist the influence and corrosion of all negative and rotten ideas, vigorously carry out the struggle against "pornographic and ugly things," and eliminate all ugly things. In the meantime, we must truly strengthen the ideological, organization building, and work style of the party, be good at training

and taking good care of cadres, administer the party strictly, and establish a good image of the servants of the people.

Jia Qinglin said: The Xiamen SEZ is a banner of reform and opening up in the whole province. Without the construction of the Xiamen SEZ, there would be no new situation of reform and opening up in our province. The Xiamen SEZ has made great contributions to promoting the reform and opening up of the whole province. Of course, compared with the other fraternal SEZs, the Xiamen SEZ has a fairly long way to go. Now, the broad masses of leading cadres in the SEZ have realized this. This has enhanced their sense of urgency and crisis. It is gratifying to learn that they are taking measures to speed up the pace of reform and opening up. He emphasized: Without the spirit of daring to break through and taking risks, it is impossible to break new paths. He hoped that leading cadres in Xiamen City would further emancipate their minds, widen their thinking, and grasp things in a down-to-earth manner to greet the second upsurge of construction in the Xiamen SEZ with their own practical actions.

#### Jiangxi Party, Government Meeting Outlines Tasks

HK1604124792 Nanchang Jiangxi People's Radio Network in Mandarin 1100 GMT 15 Apr 92

[Excerpts] The provincial party committee and government called a meeting attended by persons in charge of various organs directly under the provincial authorities today.

The meeting made further arrangements for various organs directly under the provincial authorities to study and implement in an in-depth way Comrade Deng Xiaoping's important speeches as well as the spirit of a recent plenary session of the CPC Central Committee Political Bureau.

The meeting called on various organs to further emancipate minds; transform work functions; improve work style; and push ahead with provincewide reform, opening up, and economic development.

Shu Shengyou, provincial party committee Standing Committee member and vice governor, presided over the meeting.

On behalf of the provincial party committee and government, Liu Fangren, provincial party committee deputy secretary, delivered an important speech, in which he said: The development of the provincial situation since the province started studying and implementing Comrade Deng Xiaoping's important speeches has raised new demands on the work of various organs directly under the provincial authorities, which are:

1. To further streamline administration, delegate powers, submit to and serve reform and development.

2. To step up support for and coordination with reform, implement corresponding policies, and promote reform and development.

3. To increase guidance over and participation in reform; push ahead with in-depth reform in a reform spirit; grasp current opportunities to win more victories and forge ahead; and play a vanguard, exemplary, and stimulus role in promoting reform and development.

Liu Fangren stated: To enable the work of various organs directly under the provincial authorities to keep pace with the current situation, we must concentrate on studying Comrade Deng Xiaoping's important speeches, the spirit of recent CPC Central Committee Political Bureau plenary, National People's Congress, and Chinese People's Political Consultative Conference National Committee sessions and must comprehensively and accurately comprehend both the spirit and essence of Comrade Deng Xiaoping's important speeches.

Liu Fangren said: The provincial party committee and government now call on various organs directly under the provincial authorities to, as of now, spend one and a half months studying and implementing Comrade Deng Xiaoping's important speeches in an in-depth manner and in light of the local realities and to concentrate on the following four aspects:

1. To further emancipate minds. [passage omitted]
2. To conscientiously screen and scrutinize all existing rules and regulations. [passage omitted]
3. To earnestly transform work functions. [passage omitted]
4. To improve work style. [passage omitted]

Provincial party committee Standing Committee members, such as Lu Xiuzhen and Ma Shichang, and Vice Governors Huang Zhiqian and Zhang Yunchuan, as well as principal persons in charge of various organs directly under the provincial authorities attended the meeting.

#### Jiang Chunyun at Conference on Opening Up Work

SK1604234592 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 14 Apr 92

[Text] The provincial conference on the opening-up work ceremoniously opened in the city of Jinan on 14 April. This is another important meeting sponsored by the provincial party committee and the provincial people's government at the crucial moment of conducting reform and opening to the outside world. The central items on the conference's agenda are to deeply study and implement the spirit of the Political Bureau of the CPC Central Committee, of the important talks of Comrade Deng Xiaoping, and of the resolutions adopted at the sessions of the National People's Congress [NPC] and the National Chinese People's Political Consultative Conference [CPPCC] Committee; to study and draw lessons from the advanced experience gained by fraternal provinces and cities; to discuss and define the strategic targets, basic ideas, work emphasis, and policies

or measures of accelerating the province's pace in opening to the outside world by proceeding from the province's reality; and to mobilize the people throughout the province to actively go into action and to make concerted efforts to create a new situation in the export-oriented economy.

During the work conference on the afternoon of 14 April, Jiang Chunyun delivered an important speech and Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province, presided over the work conference. Attending the work conference were responsible comrades from the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress, the provincial people's government, and the provincial CPPCC Committee; veteran retired comrades from provincial level organs; members of the Central Advisory Committee who are currently in Jinan City, the Central Discipline Inspection Commission, the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress Standing Committee, and the provincial CPPCC Standing Committee; responsible comrades from the Discipline Inspection Commission under the party committees of various cities and prefectures and the administrative offices and governments of various cities and prefectures and the party committees and governments of various counties, cities, and districts; responsible comrades from the concerned departments of the province, cities, prefectures, and counties; and responsible comrades from the central units stationed in the province, the higher educational institutions, the four large enterprises, the Hualu Industrial Corporation, and from the provincial people's government offices in outside places—more than 1,000 persons in all.

The main meeting site of the work conference is in the provincial people's assembly hall. Almost 3,000 cadres from provincial level departments and Jinan city level organs also heard the reports delivered at the work conference separately at other meeting sites in the Bayi auditorium of the Jinan Military Region and the staff member and worker theater of Jinan City. The scale of the work conference has been unprecedentedly large in our province for many years.

The speech of Jiang Chunyun is composed of the following three parts: 1) Efforts should be made to firmly grasp the opportunity and to enlarge the pace of opening to the outside world so as to quickly improve the province's economy to a new level. 2) Efforts should be made to grasp the crucial link, to enhance working measures, and to make a breakthrough in key aspects. 3) Efforts should be made to effectively upgrade the standards of leading personnel at all levels in detecting trends and making policy decisions and the capability of these personnel in conducting the organizational work and exercising commanding so as to meet as soon as possible the needs of enlarging the open-up work and accelerating economic development.

Jiang Chunyun pointed out in his speech that since the Third Plenary Session of the 11th CPC Central Committee, party committees and governments at all levels throughout our province had traversed a period in which the economy achieved the fastest and best development since the founding of the PRC by earnestly implementing the party's basic line and unwaveringly promoting reform and the open-up work. However, we must be sober-minded to discern that as compared with the demand of the central authorities and with the coastal provinces and cities, including Guangdong, Fujian, Hainan, and Dalian, our province still has a very large gap in developing an export-oriented economy. The existing gap must be caused not only by objective factors but also by subjective reasons. We should arouse localities or units that have not made progress in this regard to pay attention to their deficiency and to apply their strong points to making up their own weak points. By no means should they be content with things as they are and harbor parochial arrogance. In conducting reform, opening to the outside world, and developing the economy, we are just as a boat sailing against the current, which must forge ahead or it will be driven back. A little progress would also mean a retreat. All industries and trades at all levels throughout the province should clearly discern the situation and opportunity; enhance their sense of missions, crisis, and responsibility; define their own duties; successfully readjust their own developing plans; and adopt active and forceful measures, on the premise of seeking economic results and fine quality, to accelerate as much as possible the pace in developing the economy and particularly the export-oriented economy.

Jiang Chunyun pointed out in his speech that to ensure the realization of the province's targets of economic development and opening-up work, it is imperative to firmly grasp the key points of prominent problems that have adversely affected the development of the export-oriented economy, to do a lot in this regard, and to make a new breakthrough in the following eight aspects: 1) We should make a new breakthrough in emancipating minds and renewing the concept; 2), in shifting the strategic emphasis of economic development and accelerating the pace of orienting the domestic-oriented economy onto the track of export-oriented and domestic-and export-oriented economy; 3), in raising and enlivening funds; 4), in carrying out the development of real estate business and following the road of regarding land as a foundation, making money from land, and having the earned money develop commerce; 5), in carrying out reform and grafting among out-dated enterprises and having township enterprises conduct the processing of products with outside materials and samples and the assembling of machines with outside parts, as well as the compensatory trade; 6), in building infrastructures, achieving extra development in this regard, and striving to obtain high speed, quality, standards, and in effect improving the existing infrastructures; 7), in training, utilizing, and introducing talented personnel; and 8), in relaxing right to grassroots level units, enlivening the

economy, and shifting the function of party and government departments. Departments at the provincial level should be determined to change their management over enterprises from direct to indirect; to turn their management of administrative measures into the regulation and control of economic and legal methods; to closely integrate their management with services and have their management reside in services; and to concentrate their main efforts on studying and formulating policies, enhancing macro regulation and control and successfully rendering services. To fulfill the targets in the aforementioned eight aspects, it is imperative to enlarge the force of reform and to apply reform to promoting the opening-up work.

Jiang Chunyun pointed out in his speech that enlarging the opening-up work had enabled our province to gradually turn its domestic-oriented economy into an export-oriented one. This is an important strategic readjustment conducted by our province in its economic development and also is a decisive step that may determine whether our province can move to a higher level as soon as its economy improves and to a new level every few years. This also represents a severe test imposed on the leading comrades of various departments at all levels. For this, it is imperative to effectively upgrade the standards of leading personnel at all levels in detecting the trend and making policy decisions and their capability of conducting organizational work and taking command. We should unwaveringly implement in an overall way the party's basic line, uphold economic construction as a center in the work of all fields, and place the development of an export-oriented economy on the important schedule of various departments at all levels. Efforts should be made to enhance the practical research of domestic and foreign economic knowledge and information, to uphold the principle of grasping economic construction and the ideological and political work simultaneously, to achieve perfection in both economic construction and ideological work, and to master and uphold the materialist dialectics to avoid blindness.

In concluding his speech, Jiang Chunyun stressed the issue of changing the leadership work style and vigorously grasping implementation and pointed out that the departments in charge of economic work, foreign affairs and economic relations, and political work in all leading organs must be determined to improve or perfect the leading system; to conduct reforms in the regulations and rules, methods, and work style that are unsuitable to enlarging the opening-up work; to vigorously enhance the sense of serving the economy, grassroots level units, and the development of productive forces; and to enable the work style and working effect of leadership to vastly change and improve. Time is money and efficiency is a productive force. Various departments at all levels should boldly eliminate the bureaucracy, formalism, and paying lip service and concentrate their main efforts on grasping implementation and doing practical deeds. According to the province's general goal of developing the export-oriented economy, these departments should

formulate their own development plans, have their targets and plans to be shared and implemented by every level, place their targets and plans under the system where leading personnel hold responsibility for the attainment of certain objectives during their tenures, and should encourage and protect our cadres displaying a more ambitious spirit and learn from or carry forward the vitality displayed by the four economic small tigers of Guangdong province so as to promote the overall development of the export-oriented economy in our province.

#### Zhejiang Leaders, Personages Discuss Reform

OW1604155192 Hangzhou Zhejiang People's Radio Network in Mandarin 1000 GMT 15 Apr 92

[From the "Provincial News Hookup" program]

[Text] On the afternoon of 14 April, the provincial party committee held a consultative forum with the participation of persons in charge of committees of various democratic parties, industry and commerce federations, and relevant organizations at the provincial level and with persons without party affiliation to discuss ways to step up Zhejiang's reform pace, opening up to the outside world, and economic development and to solicit opinions. The forum was chaired by Li Zemin, secretary of the provincial party committee. Vice Governor Chai Songyue attended the forum.

Li Zemin first briefed the attendees on the serious study of Comrade Deng Xiaoping's important remarks and guidelines of the plenary session of the Political Bureau of the CPC Central Committee by [word indistinct] planning commissions and various provincial departments, arranged by the provincial party committee recently. He sincerely asked the attendees to put forward their opinions and suggestions on accelerating Zhejiang's pace of reform, opening, and economic development.

Speaking at the forum were 14 comrades [as heard], including (Zhan Shaowen), chairman of the provincial federation of industry and commerce; (Wang Wudi), chairman of the Zhejiang Provincial Committee of the China Zhi Gong Dang; (Sun Yannian), chairman of the Zhejiang Provincial Committee of China Democratic National Construction; (Wang Qidong) and (Wang Chengxu), chairman and adviser of the Zhejiang Provincial Committee of China Democratic League; (Wang Xijuan), chairman of the Zhejiang Provincial Committee of Revolutionary Committee of the Chinese Kuomintang; (Zhu Zuxiang), (Xue Duanlin), and (Ye Yulin), chairman and vice chairmen of the Zhejiang Provincial Committee of Jiusan Society; (Sun Cuyuan), vice chairman of the Zhejiang Provincial Committee of Chinese Peasants' and Workers' Democratic Party; (Li Yihua), (Li Tianzhu), (Ding Deyun), honorary chairman, honorary vice chairman, and vice chairman of the Zhejiang Provincial Committee of China Association for Promoting Democracy; (Zheng Changyi), member of the

China Association for Promoting Democracy Central Committee; and (Chen Dazhong), a person without party affiliation.

They freely voiced their opinions and held that the provincial party committee and government had done a great deal of work in conscientiously studying Comrade Deng Xiaoping's important remarks and the guidelines of the plenary session of the Political Bureau of the CPC Central Committee, further emancipating their minds, and seizing the opportune time to step up the pace of reform and opening to the outside world. They hoped the provincial party committee and government would make more solid progress in these fields. They put forward many positive opinions and suggestions during the forum. On the issue of opening wider to the outside world, they maintained that Zhejiang should strive to improve the environment for attracting foreign funds and fully bring into play the role of various democratic parties, federations of industry and commerce, and relevant organizations as a channel for this purpose, so as to facilitate the province's opening wider to the outside world. Zhejiang should also speed up the reform of scientific and technological systems and institutions of higher learning, formulate preferential policies, amass financial and material resources, and use new and high technology to improve the province's traditional products and develop new industries. While developing the economy, Zhejiang should attach importance to quality, efficiency, export orientation, and avoid low-level repetitive construction.

Having listened to their speeches carefully, Li Zemin stressed: Various departments at the provincial level and leading cadres at all levels should further straighten out their thinking and draft relevant rules and regulations to bring about the three favorable conditions that Comrade Deng Xiaoping pointed out. Departments that do not meet the requirements of reform and opening to the outside world should be improved in a timely manner. Some of them should be abolished. After completing this work, we should put forward measures for accelerating Zhejiang's pace of reform and opening to the outside world and implement them boldly.

Li Zemin noted: Presently, we should open wider to the outside world and vigorously develop an export-oriented economy. The tasks of restructuring Zhejiang's industry, reforming enterprises' employment and distribution systems, and eliminating enterprises' losses and increasing their profits are fairly arduous. We also cannot be too optimistic about our agricultural production. We must further change our work style; do practical work; and attach great importance to science, technology, and education. We should mobilize and organize various scientific and technological forces to tackle key problems in science and technology, fully utilize our scientific achievements, and popularize practical technologies to promote economic growth around the province.

Li Zemin said: Persons in charge of Zhejiang's democratic parties, federations of industry and commerce,

and relevant organizations and persons without party affiliation have studied Comrade Deng Xiaoping's important remarks and guidelines and have put forward many positive opinions and suggestions on stepping up Zhejiang's pace of reform and opening to the outside world, all after taking the actual situation into consideration. The provincial party committee and government will attach great importance to their opinions and suggestions and provide feedback to them, with a view to making the provincial party committee and government's policy-making procedures more democratic and scientific.

Also invited to the forum were (Tang Yuanbing), (He Zhijun), (Jiang Shizeng), (Wang Jiwu), (Chen Li), and other responsible persons of committees of various democratic parties and relevant organizations at the provincial level and persons without party affiliation. Responsible comrades from the united front work department and general office of the provincial party committee also attended the forum.

### Central-South Region

#### Shenzhen To Implement Preferential Policies

*HK1704094692 Hong Kong CHING CHI JIH PAO in Chinese 6 Apr 92 p 3*

[By staff reporter Wang Man-na (3769 2581 1226): "Shenzhen Formulates Preferential Policies Which Involve Putting Baoan County Under First and Second Line Import and Export Management"]

[Text] Zhong Yaohua, deputy director of the Shenzhen City Economic Development Bureau, told this reporter that to implement China's policy of expediting reform and opening up, Shenzhen recently applied to the central authorities for the implementation of several preferential policies, including putting Baoan County under first and second line management, the construction of bonded areas, and recovering some preferential policies which were withdrawn by the central authorities during the economic rectification period. He predicted that the State Council will approve this application in the second half of this year.

Zhong Yaohua said: Since Comrade Deng Xiaoping made remarks during an inspection of south China, various provinces and cities in China are formulating policies to expedite reform and opening up. Guangdong Province has now worked out a number of preferential policies, including delegating the right to approve foreign investments; this right was withdrawn by the central authorities during the three-year economic rectification period. Because Shenzhen is a special economic zone [SEZ] directly under central jurisdiction, Guangdong's preferential policies are only suitable for other cities and towns in the province.

In light of its actual conditions, the Shenzhen government has formulated four preferential policies requiring

the central authorities' approval. These preferential policies are: 1) Putting Baoan County within the scope of the SEZ. 2) Making the Shenzhen-Hong Kong border (the first line) an export line, and the border between Shenzhen and the rest of the country (the second line) an import line. In other words, commodities from outside the country may enter the SEZ without restrictions or tariffs but will be put under control when transported out of the second line; commodities from the rest of the country may also enter the SEZ freely but are subjected to control when transported out of the country. 3) Management methods to be exercised in the Futian bonded area, including how to handle import and export requests and granting the bonded area adequate power to approve investment projects and land use. And, 4) asking the central authorities to return the parts of the SEZ's preferential policies which were withdrawn by the central authorities during the economic rectification period, including the abolition of import licenses for raw materials and automobiles.

Zhong Yaohua pointed out: In the past, Shenzhen did not need licenses to export raw materials; nor were there restrictions on its imports of steel, building materials, industrial chemicals, electronics components, or automobiles for its own use. But the state withdrew these preferential policies when economic rectification was introduced in 1989. Thus, like nonspecial economic zones, the Shenzhen SEZ had to apply to the Foreign Economic Relations and Trade Ministry for import licenses when it wished to import commodities.

He said: For better development of Shenzhen's financial and trade fields and to enable the SEZ to play the role of a window in reform and opening up, Shenzhen has asked the central authorities to abolish the restrictions on the city state-run enterprises' imports and exports of raw materials. Joint ventures' automobile imports for their own use are still restricted and the policy on the import and export of raw materials remains unchanged. Therefore, Shenzhen City has also asked the central authorities to relax the restrictions on automobile imports to be used by state-run enterprises and joint ventures.

Mr. Zhong indicated: The State Council is very particular about Shenzhen's requests and pointed out that these requests conform with the existing reform and opening up policy. As the central authorities are examining the procedures, he predicted that these requests will be approved in the second half of this year.

#### **Li Peng Has Approved Proposal for Extending Customs Office's Opening Hours**

Zhong Yaohua continued: On the opening hours for trucks to pass through the Shenzhen-Hong Kong border, the city has applied to the central authorities for an increase in management personnel and longer opening hours of the customs office. This plan will proceed in two stages: The first is prolonging the opening hours to 12 o'clock midnight and the second is opening for 24 hours. Premier Li Peng has

agreed with this proposal and its implementation is expected in the second half of this year.

#### **Zhao Fulin Addresses Enlarged Plenary Session**

*HK1604122692 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 15 Apr 92*

[Excerpt] At the enlarged fourth plenary session of the sixth regional party committee, regional party committee Secretary Zhao Fulin emphatically stated: To study Comrade Deng Xiaoping's important speeches in an in-depth way, we must proceed from local realities, be bold in practice, emancipate minds, and quicken the pace of reform and opening up.

Over the past two days, regional party committee members, as well as comrades in charge of various party and government departments at all levels, who attended the enlarged plenary session as delegates or guests, focused their discussions on the question of how to emancipate minds, heighten understanding, and be bold in practice. [passage omitted]

#### **Liu Jianfeng Discusses Yangpu Development**

*HK1704084592 Beijing ZHONGGUO XINWEN SHE in Chinese 1406 GMT 3 Apr 92*

[By correspondent Mo Chengxiong (5459 2052 7160)]

[Text] Haikou, 3 Apr (ZHONGGUO XINWEN SHE)—Hainan Governor Liu Jianfeng said this afternoon, at the First Hainan International Coconut Festival news conference, that Yangpu is a testing ground for Hainan to create another "Hong Kong." If the "Yangpu model" is successful, it will be extended to the whole island and then the creation of a Hong Kong on Hainan will move ahead smoothly.

In answering reporters' questions, Liu Jianfeng said that land development of the 30 square km-wide Yangpu Economic Development Zone with foreign capital is China's largest foreign-capital employment project and represents a higher level of Hainan's land tract development. Large Japanese, Hong Kong, and South Korean enterprises have shown great interest in Yangpu's development. The general manager of the organizer of the Yangpu development, Kumagai Gumi (Hong Kong) Company Limited's Mr. Yu Yuanping, said that they are working to start construction before this June.

He said that Hainan has all the conditions to make another "Hong Kong." First, Hainan enjoys a good geographical location, being situated in the inner circle of the Asia-Pacific economic rim. Being an island, it is amenable to closed-style management. Second, in the four years since it became a province, Hainan's infrastructure has much improved and is now ready for large-scale opening up, development, and construction. Third, Hainan has many lessons and experiences of economic development and running big special economic zones. Its people are open-minded and have

become much more competitive in mind. Fourth, Hainan is rich in natural resources and has great development potential.

Over 200 reporters from Hong Kong, Singapore, and the interior attended today's reception. Hainan Vice Governors Xin Yejiang, Mao Zhijun, Meng Qingping, and Wang Xueping also answered reporters' questions at the meeting.

### **Hou Zongbin Inspects Zhengzhou High-Tech Zone**

*HK1604124092 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 14 Apr 92*

[Excerpts] Yesterday, a number of provincial party committee and government leading comrades, such as Hou Zongbin [provincial party committee secretary], Li Changchun [governor], Hu Xiaoyun, Qin Kecai, and Fan Qinchen, led persons in charge of various departments concerned directly under the provincial authorities as well as persons in charge of Zhengzhou City to the Zhengzhou High and New Technology Development Zone where they carried out official business. [passage omitted]

On behalf of the provincial party committee and government, Comrade Li Changchun fully affirmed the work carried out by the development zone over the past three-odd years. Comrade Li Changchun said: The Zhengzhou High and New Technology Development Zone should play three key roles: to become a leading high and new technology development zone in the whole province; to act as a window through which Henan opens itself up to the outside world; and to become a comprehensive demonstration zone for the provincial economic and technological structural reforms.

Li Changchun called on the development zone to further improve management, lift price controls, institute market regulation, fully respect enterprises' decisionmaking power, and implement contract and public employment systems in accordance with the common international practices to further improve personnel management.

Li Changchun added: The development zone should produce more economic results, more new products, more new experiences, and more qualified personnel and should become a backbone force in the province-wide reform and opening up. In building the development zone, we must stress quality, speed, and efficiency; speed up infrastructural facilities building; significantly improve work efficiency; create a favorable environment; build sound facilities to attract more foreign businessmen; and must strive to make the development zone one of the first-rate hinterland development zones in the whole country by 1995.

Li Changchun also called for strengthening leadership over the development zone, building a powerful and competent leadership for the zone, selecting and promoting talented and qualified personnel irrespective of seniority, and set off a new upsurge for all parties

concerned to make unreserved efforts to support the building of the development zone.

Comrade Hou Zongbin called on all the comrades present at the meeting to further emancipate minds, brace up, quicken the pace of reform, overcome a mentality of unduly stressing steady progress while neglecting innovative work, enhance a sense of urgency and mission, and support comrades who are bold in furthering reform and opening up.

Comrade Hou Zongbin also called on all departments concerned to conscientiously study and implement views expressed and summarized at the on-site work meeting, put forward clear-cut goals, clearly define responsibilities, and avoid doing things perfunctorily.

### **Southwest Region**

#### **Tibet Leaders Study Deng Line on Reform**

*OW1604223692 Lhasa Tibet Television Network in Mandarin 1230 GMT 15 Apr 92*

[From the "Tibet News" program]

[Text] Members of the Standing Committee of the regional party committee attended a meeting on 14 April to study Premier Li Peng's government work report delivered to the Fifth Session of the Seventh National People's Congress [NPC]. They urged leading cadres at all levels to develop a clear understanding of the current excellent situation and further emancipate their minds, transform their thinking, and enhance awareness of reform in order to let new breezes blow across the regional economy.

In an animated and earnest atmosphere, those attending the meeting focused their study and discussion on the basic line laid down by Comrade Deng Xiaoping on persisting in taking economic construction as the central task, upholding the Four Cardinal Principles, and adhering to the policy of reform and openness. They said: Premier Li Peng's report scientifically analyzed the situation in China's economic, political, and social development, while comprehensively and systematically explaining the tasks and major policy principles of China's future economic construction and work in other fields. The practices of the decade-long reform fully prove that only by adhering to the reform and opening up policy can the Tibetan economy be developed and the people's livelihood be further improved. Meanwhile, leading cadres at all levels and the masses of all nationalities in Tibet should clearly recognize the gap between Tibet and the hinterland provinces and regions. It is necessary to develop a clear understanding of the new demands levied on us under the new situation, foster a strong sense of responsibility and urgency, doing everything possible to catch up, and grasp opportunities to boldly accelerate the pace of reform and opening up.

While holding discussions in light of realities in Tibet, the meeting attendees said: As a result of the major victories won the struggle to oppose separatism and safeguard the motherland's unification in recent years, the social and political situation has been stable. In the future, we should continue to fight resolutely against separatism, safeguard the motherland's unification, apply the power of the people's democratic dictatorship to protect the socialist system, and create a better external environment for economic construction, reform, and opening.

The meeting attendees added: At present, some comrades are fearful of making detours and are full of misgivings. Being content with the existing state of affairs, these comrades take a wait-and-see approach and follow the beaten path. Such ideas are ideological obstacles to emancipating the mind and boldly accelerating the pace of reform and opening. Therefore, it is imperative to study penetratingly and understand comprehensively the essence of Comrade Deng Xiaoping's theses and Comrade Li Peng's report, and unify the thinking based on the guidelines of the central documents so as to ensure the deepening of reform and opening in Tibet. Meanwhile, it is necessary to identify major contradictions in the development of regional economy and readjust the economic structure in the light of realities in Tibet. In dealing with what we regard as correct, just try it and proceed with daring. While we should refrain from competing with hinterland provinces and regions, carrying out aimless projects in a massive and unplanned way, and copying experiences mechanically on the one hand; we should, on the other hand, combat procrastinating work styles and the idea of inertia, both of which neglect the use of available resources.

In his closing speech, Deputy Secretary (Chen Kuiyuan) stressed: There are many favorable conditions for Tibet to accelerate reform and opening up and to develop the economy. The international situation is favorable to us. Comrade Xiaoping's exposition is a sharp weapon for emancipating our minds. What is more important is the many preferential policies and flexible measures adopted by the central authorities toward Tibet. These policies and measures have played an important role in invigorating the regional economy, increasing financial revenues, and raising the people's living standards. The most crucial problem at present is to overcome the mentality of being content with the existing state of affairs and failure to obtain a clear idea of reform. Leading cadres at various levels in particular should take the lead in emancipating their minds and raising their awareness. They should imbue themselves with a sense of responsibility and urgency toward reform; they should not just pay lip service to studying and carrying out the guidelines of the central documents, which should be implemented in practical work. It is necessary to apply the central authorities' preferential policies creatively and to utilize their economic benefits in conducting lateral cooperation at home and opening Tibet wider to the outside world, thereby allowing new breezes to blow through the regional economy.

## Northwest Region

### Bai Qingcai Urges Displaying Pioneering Spirit

HK1504121592 Xian Shaanxi People's Radio Network in Mandarin 0030 GMT 10 Apr 92

[Text] The provincial conference on sharing experience in implementing the provincial government's decision on enlivening commodity circulation ended yesterday.

Governor Bai Qingcai gave an important speech toward the closing of the conference. He said: The lack of a pioneering spirit on our part constitutes the chief obstacle to the circulation system's reform and even to the progress of reform and opening up as a whole. As soon as we encouraged reform, some people would say there were no policies to follow; when the policies were formulated, they would demand supportive measures; and when we mentioned the need to find the gap between ourselves and advanced areas, they would put the blame on objective factors. They wanted to cross the river but feared that their shoes would get wet; they wished other people would help them cross the river by carrying them on their backs.

Bai Qingcai stressed: We should act boldly but not blindly in carrying out reform and proceed from actual conditions rather than indiscriminately copying others' experience. We now have an excellent opportunity to expedite reform. If we again lose the chance, a wider gap will result between our province and developed provinces in coastal areas and neighboring provinces. He added: We must do away with the practice of waiting for a model to lead the way. Instead, every unit should be allowed to devise their particular reform programs, like the Eight Immortals crossing the ocean, each displaying his or her own magic power. No unified pattern for all is desirable. The criterion for judging who is right and who is wrong is practice. The practice of spending a lot of time waiting for policies and supportive measures instead of enthusiastically exploring new ways and creating favorable conditions will not yield any results even if the best policies and stipulations are available.

Vice Governor Zheng Silin also addressed the meeting. He told the audience: This year is the most crucial period for the reform of our circulation system. We should aim at building up an open, unimpeded, flexible, high-efficiency, and regulative circulation system to facilitate breakthrough progress in the reforms in the commercial, grain, medical, and trade fields.

Zheng Silin noted that this year we should plan and organize the rationalization of the purchasing and selling prices for grain at a greater pace, gradually allow enterprises to operate freely, and promote grain production and circulation according to the law of value. In addition, restrictions on purchasing and selling prices for live pigs will be lifted to enable peasants to reap small profits. Subsidies for the operating links of live pigs and vegetables will be canceled.

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